

10-0523-00  
NORTH CENTRAL INSURANCE CENTER INC  
PO BOX 88840  
SIOUX FALLS SD 57109-8840

# *Auto-Owners* INSURANCE

LIFE • HOME • CAR • BUSINESS

PO Box 30660 • Lansing, MI 48909-8160  
517.323.1200

08-15-2022

AUTO-OWNERS INSURANCE COMPANY

You can view your policy, pay your bill, or change your paperless options at any time online at [www.auto-owners.com](http://www.auto-owners.com).

### ADDITIONAL WAYS TO PAY YOUR BILL

Pay Online

[www.auto-owners.com](http://www.auto-owners.com)

Pay My Bill

Pay by Mail

AUTO-OWNERS INSURANCE

PO BOX 740312

CINCINNATI, OH 45274-0312

Pay by Phone

1-800-288-8740

LONNA SMEENK  
LONNA SMEENK LIVING TRUST  
RYON SMEENK  
27260 SD HIGHWAY 11  
HARRISBURG SD 57032-8214

Your agency's phone number is (605) 339-4000.

RE: Policy 51-964-218-02

Billing Account 016985085

Thank you for selecting Auto-Owners Insurance Group to serve your insurance needs! Feel free to contact your independent Auto-Owners agent with questions you may have.

Auto-Owners and its affiliate companies offer a full complement of policies, each of which has its own eligibility requirements, coverages and rates. In addition, Auto-Owners also offers many billing options. Please take this opportunity to review your insurance needs with your Auto-Owners agent, and discuss which company, program, and billing option may be most appropriate for you.

Auto-Owners Insurance Company was formed in 1916. Our A++ (Superior) rating by A.M. Best Company signifies that we have the financial strength to provide the insurance protection you need. The Auto-Owners Insurance Group is comprised of six property and casualty companies and a life insurance company.

***Serving Our Policyholders and Agents Since 1916***

## NOTICE OF PRIVACY PRACTICES

### What We Do To Protect Your Privacy

At Auto-Owners Insurance Group\*, we value your business and we want to retain your trust. In the course of providing products and services, we may obtain nonpublic personal information about you. We assure you that such information is used only for the purpose of providing our products and services to you.

### Protecting Confidentiality

Our agents and Company associates may have access to nonpublic personal information only for the purpose of providing our products or services to you. We maintain physical, electronic and procedural safeguards against unauthorized use of your nonpublic personal information.

### Information We Obtain

To assist in underwriting and servicing your policy, we may obtain nonpublic personal information about you. For example, we routinely obtain information through applications, forms related to our products or services, from visiting [www.auto-owners.com](http://www.auto-owners.com), and your transactions with us. We may obtain such information from our affiliates, independent insurance agents, governmental agencies, third parties, or consumer reporting agencies.

The type of information that we collect depends on the product or service requested, but may include your name, address, contact information, social security number, credit history, claims history, information to properly investigate and resolve any claims, or billing information. We may obtain your medical history with your permission. The nature and extent of the information we obtain varies based on the nature of the products and services you receive.

### The Internet and Your Information

If you would like to learn about how we gather and protect your information over the Internet, please see our online privacy statement at [www.auto-owners.com/privacy](http://www.auto-owners.com/privacy).

Generally, Auto-Owners may use cookies, analytics, and other technologies to help us provide users with better service and a more customized web experience. Our business partners may use tracking services, analytics, and other technologies to monitor visits to [www.auto-owners.com](http://www.auto-owners.com). The website may use web beacons in addition to cookies. You may choose to not accept cookies by changing the settings in your web browser.

Information obtained on our websites may include IP address, browser and platform types, domain names, access times, referral data, and your activity while using our site; who should use our web site; the security of information over the Internet; and links and co-branded sites.

### Limited Disclosure

Auto-Owners Insurance Group companies do not disclose any nonpublic personal information about their customers or former customers except as permitted by law. We do not sell your personal information to anyone. We do not offer an opportunity for you to prevent or "opt out of" information sharing since we only share personal information with others as allowed by law.

When sharing information with third parties to help us conduct our business, we require them to protect your personal information. We do not permit them to use or share your personal information for any purpose other than the work they are doing on our behalf or as required by law.

The types of information disclosed may include personal information we collect as necessary to service your policy or account, investigate and pay claims, comply with state and federal regulatory requests or demands, and process other transactions that you request. Third parties that receive disclosures may include your independent agent, regulators, reinsurance companies, fraud prevention agencies, or insurance adjusters.

## **How Long We Retain Your Information**

We generally retain your information as long as reasonably necessary to provide you services or to comply with applicable law and in accordance with our document retention policy. We may retain copies of information about you and any transactions or services you have used for a period of time that is consistent with applicable law, applicable statute of limitations or as we believe is reasonably necessary to comply with applicable law, regulation, legal process or governmental request, to detect or prevent fraud, to collect fees owed, to resolve disputes, to address problems with our services, to assist with investigations, to enforce other applicable agreements or policies or to take any other actions consistent with applicable law.

In some circumstances we may anonymize your personal information (so that it can no longer be associated with you) for research or statistical purposes, in which case we may use this information indefinitely without further notice to you. This allows the specific information collected (name, email, address, phone number, etc.) to become anonymous, but allows Auto-Owners to keep the transaction or engagement data.

## **Changes to the Privacy Policy**

We will provide a notice of our privacy policy as required by law. This policy may change from time to time, but you can always review our current policy by visiting our website at [www.auto-owners.com/privacy](http://www.auto-owners.com/privacy) or by contacting us.

## **Contact Us**

Auto-Owners Insurance Company  
Phone: 844-359-4595 (toll free)  
Email: [privacyrequest@aoins.com](mailto:privacyrequest@aoins.com)

\*Auto-Owners Insurance Group includes, Auto-Owners Insurance Company, Auto-Owners Life Insurance Company, Home-Owners Insurance Company, Owners Insurance Company, Property-Owners Insurance Company and Southern-Owners Insurance Company.

**\*\*\* IMPORTANT NOTICE \*\*\***  
**ROOF UPDATES**

Dear Policyholder:

Auto-Owners uses many factors, such as age and type of roofing material, to determine policy premium and the available roof loss settlement options. If your roof has been replaced at any time since your home was built, please contact your agent. You may be eligible for a reduced premium or the Roof Replacement Cost loss settlement option. If you replace your roof in the future, please remember to contact your agent to take advantage of these options. Documentation of roof updates, such as a receipt or contractor's invoice, should be kept as they may be required for verification purposes.

This notice is for informational purposes only.

Thank you.

**NOTICE OF CHANGE IN POLICY TERMS**  
**ONE PROGRAM COMPANY CHANGE**

Dear Policyholder:

Thank you for your business. In an effort to simplify our Farm product, all Farm policies will now be written in Auto-Owners Insurance Company within the Farm-Pak program.

Your new policy is enclosed. Coverage limits found on your previous policy have been maintained or increased. In order to not reduce coverage limits found on your previous policy, additional premium charges may have been applied. In the event that your policy had other changes which were not a result of this policy transition, they will be shown on your policy Declarations. If applicable, a separate notice may be attached.

This notice is for informational purposes only. Your policy contains the specific terms and conditions of coverage. Please review your policy carefully and if you have any questions regarding your policy, contact your Auto-Owners agency.

Thank you.

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## **NOTICE TO POLICYHOLDER TERRORISM RISK INSURANCE COVERAGE**

Dear Policyholder:

Our records indicate that you previously rejected our offer to provide coverage for certified acts of terrorism. Due to a program change to your policy, in order to remove coverage for certified acts of terrorism on your renewed policy, we will require an updated request to reject coverage.

If you have any questions concerning your policy or this notice, please contact your Auto-Owners agency.

This notice is for informational purposes only.

## **NOTICE TO POLICYHOLDER INCREASED COST ENDORSEMENT**

Dear Policyholder,

Your policy includes the Increased Cost endorsement. This endorsement provides replacement of your dwelling up to 125% of the insured amount in the event of a total loss, subject to certain requirements. One of these requirements is your home must be insured for the full estimated replacement cost. In addition, you must notify your agent immediately of any additions, improvements, or remodeling to your dwelling which individually or cumulatively increases your dwelling's replacement cost by the greater of either \$10,000 or 5% of the Coverage A limit.

This notice is for informational purposes only. Your policy contains the specific terms and conditions of coverage. Please review the endorsement and your policy carefully.

If you have any questions about this notice, the endorsement or your policy, please contact your Auto-Owners Insurance Agency.

## NOTIFICATION OF POSSIBLE CHANGES IN COVERAGE FOR TERRORISM

Dear Policyholder:

The Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) will expire on December 31, 2027 unless the Federal government extends the Act. What this means to you is the following:

1. Subject to policy terms and conditions, the enclosed policy will provide insurance coverage for certified acts of terrorism as defined in the Act only until December 31, 2027.
2. A conditional endorsement entitled, Conditional Exclusion Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act) is enclosed. This conditional endorsement will only apply if the Act is not extended or if the Act is revised to increase statutory deductibles, decrease the federal government's share in potential losses above the statutory deductibles, change the levels, terms or conditions of coverage and we are no longer required to make terrorism coverage available and elect not to do so. It will not apply if the Act is simply extended.
3. The conditional endorsement will provide coverage for an incident of terrorism pursuant to the terms and conditions of the policy only if the incident does not involve nuclear, biological or chemical material.
4. A premium charge for the conditional endorsement will be applied effective January 1, 2028. The premium will be pro rated for the remainder of the policy term and is one-half of the current premium charge appearing in the Declarations for TERRORISM - CERTIFIED ACTS. However, it will only be made if the Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) is not extend. Revised Declarations will be mailed to you after January 1, 2028.
5. If the Act is extended without any revision, the enclosed policy will continue to provide coverage for certified acts of terrorism. The conditional endorsement will not be activated and the changes in coverage or premium referenced above will not apply.
6. If the Act is extended with revisions or is replaced, and we are required or elect to continue to offer coverage for certified acts of terrorism, we may amend this policy in accordance with the provisions of the revised Act or its replacement.

This notice is for informational purposes only.

If you have any questions concerning your policy or this notice, please contact your Auto-Owners agency.

INSURANCE COMPANY  
6101 ANACAPRI BLVD., LANSING, MI 48917-3999

**FARM-PAK POLICY DECLARATIONS**

AGENCY NORTH CENTRAL INSURANCE CENTER INC  
10-0523-00 SY Mkt Terr 036 (605) 339-4000

Renewal Effective 09-21-2022

**POLICY NUMBER 51-964-218-02**

INSURED LONNA SMEENK  
SEE FORM 59270

Company Use 79-41-SD-1809

ADDRESS 27260 SD HIGHWAY 11  
HARRISBURG SD 57032-8214

Company Bill

POLICY TERM	
12:01 a.m.	12:01 a.m.
to	
09-21-2022	09-21-2023

In consideration of payment of the premium shown below, this policy is renewed. Please attach this Declarations and attachments to your policy. If you have any questions, please consult with your agent.

	TERM
TOTAL POLICY PREMIUM	<b>\$6,821.06</b>
PAID IN FULL DISCOUNT	<b>-409.57</b>
TOTAL POLICY PREMIUM IF PAID IN FULL	<b>\$6,411.49</b>

**Entity:** Individual **Total # of Acres Farmed:** 570.0 **County:** 41  
**Primary Farm Type:** Cash/Row Crop  
**Policy Deductible:** \$1,000

**Section I - Property Protection**

**LOCATION 001**

**Property Description:** PRIMARY  
**Location Address:** 27260 Sd Highway 11  
 Harrisburg, SD 57032-8214  
**Rating Information:** Protection Class: 4X  
 County: 41 Lincoln  
 Community: Harrisburg Fd

	LIMITS	PREMIUM
<b>Coverage A - Dwelling</b> Frame Owner Occupied Primary 1911 Roof Year 2010 Roof Material Asphalt Non-Hail Resistive Functional Replacement Cost Insurance to Value 100% Special Perils Adjusted Value Provision Applies Adjusted Value Factor 1.176	\$369,400	\$1,529.21
<b>Coverage B - Other Non-Farm Structures</b> Functional Replacement Cost Special Perils	\$36,940	Included
<b>Coverage C - Household Personal Property</b> Replacement Cost Broad Perils	\$258,580	Included
<b>Coverage D - Additional Living Expense</b>	\$73,880	Included
<b>Residential Deductible</b> \$1,000 All Perils Deductible		
<b>Coverages That Apply</b> Property Coverage Limitation for Fungi, Wet Rot, Dry Rot and Bacteria resulting from a covered cause of loss Replacement Cost Household Personal Property Farm Home Plus - Dwelling Mortgage Extra Expense Coverage (\$1,000 Deductible) Refrigerated Products (\$50 Deductible) Tree Debris Removal	\$55,410     \$250/mo \$1,000 \$1,000	Included     11.84

AUTO-OWNERS INS. CO.

Issued 08-15-2022

AGENCY NORTH CENTRAL INSURANCE CENTER INC  
10-0523-00 SY Mkt Terr 036

Company POLICY NUMBER  
Bill Company Use

51-964-218-02  
79-41-SD-1809

INSURED LONNA SMEENK

Term 09-21-2022 to 09-21-2023

Glass Breakage (\$250 Deductible)		
Domestic Appliance Seepage or Leakage (\$1,000 Deductible)	\$50,000	
Increased Cost Coverage		51.71
Water Backup of Sewers or Drains (\$1,000 Deductible)	\$5,000	49.96
Ordinance or Law Endorsement	36,940	Included
Service Line Coverage (\$500 ded)	\$10,000	42.50

**Premium Adjustments That Apply**

Farm/Auto Multi-Policy Discount  
Age of Construction Factor  
Protective Devices Discount  
No Solid Fuel Heating and No Fireplace

**Coverage E - Farm Buildings and Structures**

**001 Machinery Storage**

**LIMITS PREMIUM**  
\$54,200 \$283.82

Actual Cash Value  
Broad Perils  
Frame 40 X 38  
Roof Material Metal  
Rate Type: 1  
Adjusted Value Provision Applies  
Adjusted Value Factor 1.176  
\$1,000 All Perils Deductible  
(Including Farm Equipment Breakdown)

**002 Barn Two Story**

60,000 367.64

Actual Cash Value  
Broad Perils  
Frame 32 X 60  
Roof Material Metal  
Rate Type: 2  
\$1,000 All Perils Deductible  
(Including Farm Equipment Breakdown)

**003 Machinery Storage**

40,000 229.31

Actual Cash Value  
Special Perils  
Frame 40 X 60  
Roof Material Metal  
Rate Type: 1  
\$1,000 All Perils Deductible  
(Including Farm Equipment Breakdown)

**004 Machinery Storage**

67,700 409.24

Actual Cash Value  
Special Perils  
Frame 45 X 80  
Roof Material Metal  
Rate Type: 1  
Adjusted Value Provision Applies  
Adjusted Value Factor 1.176  
\$1,000 All Perils Deductible  
(Including Farm Equipment Breakdown)

Terrorism - Certified Acts 12.90  
See Forms 59350, 33477, 59390

AUTO-OWNERS INS. CO.

Issued 08-15-2022

AGENCY NORTH CENTRAL INSURANCE CENTER INC  
10-0523-00 SY Mkt Terr 036

Company POLICY NUMBER  
Bill Company Use

51-964-218-02  
79-41-SD-1809

INSURED LONNA SMEENK

Term 09-21-2022 to 09-21-2023

Forms That Apply To This Location:

33465 (01-18) 33281 (01-16) 33425 (03-16) 33428 (08-19) 33279 (03-16) 33489 (11-18) 33463 (03-16)  
33309 (12-17)

Secured Interested Parties: None

**LOCATION 002**

**Property Description:** RENTAL  
**Location Address:** 27535 Sd Highway 11  
Harrisburg, SD 57032-5518  
**Rating Information:** Protection Class: 4X  
County: 41 Lincoln  
Community: Harrisburg Fd

	<b>LIMITS</b>	<b>PREMIUM</b>
<b>Coverage A - Dwelling</b>	\$167,800	\$877.11
Frame Non-Owner Occupied Primary 1920 Roof Year 1993 Roof Material Asphalt Non-Hail Resistive Functional Replacement Cost (Except Windstorm or Hail Losses to your Roof will be Paid on an Actual Cash Value Basis.) Insurance to Value 100% Special Perils Adjusted Value Provision Applies Adjusted Value Factor 1.176		
<b>Coverage B - Other Non-Farm Structures</b>	\$16,780	Included
Functional Replacement Cost (Except Windstorm or Hail Losses to your Roof will be Paid on an Actual Cash Value Basis.) Special Perils		
<b>Coverage C - Household Personal Prop-Rental Premises</b>	\$3,000	\$.49
Actual Cash Value Broad Perils		
<b>Coverage D - Loss Of Rents</b>	\$16,780	Included
<b>Residential Deductible</b> \$1,000 All Perils Deductible		
<b>Coverages That Apply</b>		
Property Coverage Limitation for Fungi, Wet Rot, Dry Rot and Bacteria resulting from a covered cause of loss	\$25,170	Included
Increased Cost Coverage		\$26.31
Water Backup of Sewers or Drains (\$1,000 Deductible)	\$5,000	25.56
Service Line Coverage (\$500 ded)	\$10,000	42.50
<b>Premium Adjustments That Apply</b>		
Farm/Auto Multi-Policy Discount		
Age of Construction Factor		
Protective Devices Discount		
No Solid Fuel Heating and No Fireplace		
<b>Coverage E - Farm Buildings and Structures</b>	<b>LIMITS</b>	<b>PREMIUM</b>

AUTO-OWNERS INS. CO.

Issued 08-15-2022

AGENCY NORTH CENTRAL INSURANCE CENTER INC  
10-0523-00 SY Mkt Terr 036

Company  
Bill

**POLICY NUMBER**  
Company Use

**51-964-218-02**  
79-41-SD-1809

INSURED LONNA SMEENK

Term 09-21-2022 to 09-21-2023

**001 Machinery Storage/Shop**

\$81,300

\$533.08

Replacement Cost  
Special Perils  
Frame 3,600 square feet  
Roof Material Metal  
Rate Type: 1  
Wood/Coal Heating  
Adjusted Value Provision Applies  
Adjusted Value Factor 1.176  
\$1,000 All Perils Deductible  
(Including Farm Equipment Breakdown)

Terrorism - Certified Acts

15.05

See Forms 59350, 33477, 59390

Forms That Apply To This Location:

33412 (01-03) 33203 (01-18) 33465 (01-18) 33428 (08-19) 33279 (03-16) 33463 (03-16) 33309 (12-17)

Secured Interested Parties: None

**Coverage F - Farm Personal Property**

**Blanket Farm Personal Property**

**LIMITS**  
\$384,500

**PREMIUM**  
\$1,150.26

100% Rates Apply  
Actual Cash Value  
Broad Perils apply to all items except Machinery  
Special Perils apply to Machinery  
\$1,000 All Perils Deductible

**Scheduled Farm Personal Property**

**001 2005 67% Co-Owned Ih 2388 Combine**

\$46,000

\$188.38

INSURED FOR 67% OF \$69,000 ACV  
Actual Cash Value  
Special Perils  
Rate Class: Combine  
\$1,000 All Perils Deductible

**002 2012 50% Co-Owned Drago 6 Row Corn Head**

6,000

36.12

INSURED FOR 50% OF \$12,000 ACV  
Actual Cash Value  
Special Perils  
Rate Class: Combine  
\$1,000 All Perils Deductible

**003 2007 50% Co-Owned Ih 1020 30' Bean Head**

3,000

18.19

INSURED FOR 50% OF \$6,000 ACV  
Actual Cash Value  
Special Perils  
Rate Class: Combine  
\$1,000 All Perils Deductible

**004 1998 67% Co-Owned Ih 9270 Tractor**

28,000

126.85

INSURED FOR 67% OF \$42,000 ACV  
Actual Cash Value  
Special Perils  
Rate Class: Machinery  
\$1,000 All Perils Deductible

AUTO-OWNERS INS. CO.

Issued 08-15-2022

AGENCY NORTH CENTRAL INSURANCE CENTER INC  
10-0523-00 SY Mkt Terr 036

Company  
Bill

**POLICY NUMBER**  
Company Use

**51-964-218-02**  
79-41-SD-1809

INSURED LONNA SMEENK

Term 09-21-2022 to 09-21-2023

**005 2004 67% Co-Owned 42' Jet Grain Trailer**

9,400

49.80

INSUED FOR 67% OF 14,100 ACV  
Actual Cash Value  
Special Perils  
Rate Class: Machinery  
\$1,000 All Perils Deductible

**Cab Glass Breakage Waiver of Deductible**

Included

**Borrowed Equipment**

\$100,000

Included

Terrorism - Certified Acts

15.69

See Forms 59350, 33477, 59390

Secured Interested Parties: None

**Additional Coverages**

	<b>LIMITS</b>	<b>PREMIUM</b>
Fire Department Charges	\$500	Included
Credit and Fund Transfer Card Coverage	1,000	Included
Newly Acquired Farm Personal Property	250,000	Included
Power and Light Pole Coverage	1,000	Included
Road Trouble Service - Farm Implements	500	Included
Farm Equipment Breakdown (\$1,000 Deductible) (Farm Personal Property Provision Applies)	See Form	\$59.05
Farm Income and Extra Expense	10,000	85.48
Clean up and Removal of Pollutants	10,000	Included
Transportation of Farm Personal Property		Included
Damage From Collapse of a Building		Included
Terrorism - Certified Acts See Forms 59350, 33477, 59390		1.44

**Section II - Personal Liability Protection**

	<b>LIMITS</b>	<b>PREMIUM</b>
<b>Coverage G - Personal Liability</b> (each occurrence)	\$500,000	\$227.36
<b>Coverage H - Medical Payments to Others</b> (each person)	\$5,000	\$37.24
<b>Premium Adjustments That Apply</b>		
Residences Occupied by Tenant (1)		\$31.31
Additional Locations with Farm Buildings (1)		23.08
Additional Named Insured (1)		28.85
Specified Additional Insured (1) RYAN SMEENK		19.23
<b>Additional Coverages That Apply</b>		
Upset and Overspray	\$25,000	Included
Farm Products Recall	10,000	Included
<b>Optional Coverages That Apply</b>		
Recreational Vehicle Liability		\$16.16
Terrorism - Certified Acts See Forms 59350, 33477, 59390		3.82

AUTO-OWNERS INS. CO.

Issued 08-15-2022

AGENCY NORTH CENTRAL INSURANCE CENTER INC  
10-0523-00 SY Mkt Terr 036

Company  
Bill

**POLICY NUMBER**  
Company Use

**51-964-218-02**  
79-41-SD-1809

INSURED LONNA SMEENK

Term 09-21-2022 to 09-21-2023

	<b>TERM</b>
TOTAL POLICY PREMIUM	<b>\$6,821.06</b>
PAID IN FULL DISCOUNT	<b>-409.57</b>
TOTAL POLICY PREMIUM IF PAID IN FULL	<b>\$6,411.49</b>

**Premium Adjustments That Apply To This Policy**

Farm/Umbrella Multi-Policy Discount

Age of Insured Discount - Policy Term Age 72

Merit Rating Factor Applies

Insurance Score: X879

Forms That Apply To All Locations:

33401 (01-03)	33357 (01-18)	33445 (07-17)	33438 (01-03)	33506 (11-05)	33641 (02-10)	33534 (06-07)
33637 (02-10)	33143 (11-07)	33378 (01-19)	33468 (05-06)	59350 (01-15)	33477 (07-08)	33158 (01-12)
33291 (01-17)	33209 (02-14)	33536 (11-11)	33175 (07-12)	33174 (07-12)	33185 (04-14)	33259 (12-14)
33212 (02-14)	33199 (05-14)	33223 (07-14)	33260 (12-14)	33292 (01-17)	33301 (04-17)	33316 (07-17)
33386 (11-19)	33577 (07-19)	33558 (04-19)	33562 (04-19)	33416 (05-09)	33538 (03-13)	33229 (09-14)
33230 (09-14)	33153 (12-17)	33214 (01-19)				

Secured Interested Parties: None

## NAMED INSURED SCHEDULE

LONNA SMEENK  
LONNA SMEENK LIVING TRUST  
RYON SMEENK

MERLYN AND LONNA SMEENK LIVING TRUST  
MERLON LLC

***Farm-Pak  
Insurance Policy***

***Auto-Owners Insurance Company***

**POLICY NON-ASSESSABLE**

This policy is non-assessable and the premium stated in the Declarations is the only premium you will be asked to pay.

**PARTICIPATING**

You will share in the return of unused premiums (dividends) to the extent and on the conditions determined, fixed and declared by the Board of Directors in accordance with our charter and the law.

**NOTICE OF MEMBERSHIP AND ANNUAL MEETING**

Because we are a mutual company this policy makes you a member of the Auto-Owners Insurance Company. You are entitled to vote, in person or by proxy, at all meetings. Our annual policyholder's meetings are held at our home office at Lansing, Michigan on the second Monday in May in each year at 10:00 A.M.

In witness whereof, we, the Auto-Owners Insurance Company, have caused this policy to be issued and to be duly signed by our President and Secretary.



Secretary



President

This policy is a legal contract between you and us. Your policy includes the Declarations, any listed forms and any forms issued to endorse the policy. The policy contains all agreements existing between you and us or any of our agents.

**READ YOUR POLICY CAREFULLY.** This page provides only a brief outline of the features of your policy. It is not the insurance contract and only the actual policy provisions which follow will control. The policy itself sets forth, in detail, the rights and obligations of both you and your insurance company. **IT IS THEREFORE IMPORTANT THAT YOU READ YOUR POLICY.**

The **DECLARATIONS** contain:

Your name  
Location(s)  
Policy Term  
Coverages  
Limits  
Deductible(s)

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## INSURING AGREEMENT

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The attached Declarations describe the property **we** insure and the Coverages and Limits of Insurance for which **you** have paid a premium. In reliance upon **your** statements in the Declarations and application(s), **we** agree to provide insurance subject to all terms and conditions of this policy. Each coverage described in this policy applies if a limit of insurance or a premium is shown in the Declarations for that coverage. In return, **you** must pay the premium and comply with all the terms and conditions of this policy. This policy applies to loss of or damage to covered property and to **bodily injury, property damage, personal injury and advertising injury** which occur during the policy term shown in the Declarations.

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## DEFINITIONS

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To understand this policy, **you** must understand the meaning of the following words. These words appear in **bold face type** whenever used in this policy and forms attached to this policy.

1. **Actual cash value** means the cost to replace damaged property with new property of similar quality and features reduced by the amount of **depreciation** applicable to the damaged property immediately prior to the loss.
2. **Advertising injury** means:
  - a. written or oral publication of material that libels or slanders an organization or person or disparages an organization's or person's products, goods or services;
  - b. written or oral publication of material that violates a person's right of privacy;
  - c. misappropriation of advertising ideas or style; or
  - d. infringement of title, copyright or slogan.

**Advertising injury** does not include **bodily injury**.

3. **Aircraft** means a conveyance designed or used for flight including self-propelled missiles and spacecraft.
4. **Bodily injury** means physical injury, sickness or disease sustained by a person including resulting death of that person. **Bodily injury** does not include **personal injury**.
5. **Business** means:
  - a. any full or part time trade, profession or occupation;

- b. home day care services provided by an **insured**; and
- c. rental or holding out for rental to others of any premises by any **insured**.

**Business** does not include:

- a. **farming**;
- b. **neighborly exchange**;
- c. home day care services:
  - (1) any **insured** provides on an infrequent and irregular basis;
  - (2) provided part time by a **relative** who is under 21 years of age;
  - (3) provided to a **relative** by any **insured**; or
  - (4) provided on a mutual exchange basis for which there is no monetary exchange;
- d. occasional rental or holding out for occasional rental to others of the **residence premises** for use as a dwelling;
- e. rental or holding out for rental to others a part of the **residence premises** for use as a dwelling, provided the rental is to no more than two roomers or boarders in any single family unit;
- f. rental or holding out for rental to others a part of the **residence premises** as a private garage, office, school or studio;
- g. rental or holding out for rental to others of no more than three car spaces or stalls; or

- h. rental or holding out for rental to others any dwelling described in the Declarations which is not occupied by **you**.
6. **Depreciation** means a decrease in value because of age, wear, obsolescence or market value.
7. **Farming** and **farm** means the ownership, maintenance or use of **insured premises** for the growing of crops and/or the raising of animals or poultry, including related and necessary operations. **Farming** includes the operation of roadside stands principally for sale of produce grown by any **insured**.
8. **Farm employee** means an employee of any **insured** whose duties are mainly in connection with **farming** operations of such **insured**.
- Farm employee** does not include:
- a person working for or under an **insured's** direction under an exchange of labor agreement;
  - a **residence employee** or any employee while engaged in any **insured's business**; or
  - illegal (undocumented) aliens.
9. **Farm implement** means a land vehicle including any attached machinery, whether self-propelled or not, designed principally for use off public roads which is usual to the operation of a **farm** and is used for **farming** purposes. **Farm implement** includes **mobile equipment**. **Farm implement** does not include a **motor vehicle** or **recreational vehicle**.
10. **Hostile fire** means a fire which becomes uncontrollable or breaks out from where it was intended to be.
11. **Incident** means an offense(s) committed by any **insured** resulting in **advertising injury** or **personal injury** and includes, as one incident, all continuous or repeated exposure to substantially the same generally harmful condition.
12. **Insured** means when the named insured in the Declarations is:
- an individual:
    - you**;
    - your relatives**; and
  - a partnership or joint venture:
    - you**;
    - each of **your** partners and **your** members, who reside on a **residence premises**:
      - their spouses;
      - their **relatives**;
      - any other person under the age of 21 who is in their care or the care of such partner's or member's spouse or **relative** who resides with such partner or member; and
    - each of **your** partners or **your** members who do not reside on a **residence premises**, but only with respect to the conduct of **your farming** operations.
  - a limited liability company:
    - you**; and
    - your** members.

**Your** managers are also **insureds**, but only with respect to the conduct of **your farming** operations.
  - an organization other than a partnership, joint venture or limited liability company:
    - you**;
    - your** officers; and
    - your** directors

but only with respect to the conduct of **your farming** operations.
- In SECTION II - PERSONAL LIABILITY PROTECTION, **insured** also means:
- any person **you** permit to use any vehicle covered by this policy only while such vehicle is on an **insured premises**.

- f. any employee while engaged in the employment of a person or organization in a., b., c. or d. above, but only with respect to their duties as such including the use of any vehicle covered by this policy.
- g. any person or organization legally responsible for animals or **watercraft** covered by this policy and owned by a person or organization in a., b., c. or d. above. However, **we** will cover that person or organization only with respect to those animals or **watercraft**. **We** shall not cover any person or organization using or having custody of animals or **watercraft** in the course of any **business** or without permission of the owner.

**13. Insured premises** means:

- a. the **residence premises** and **farm** premises described in the Declarations including all private approaches;
- b. any structures or grounds **you** use in connection with **your residence premises**;
- c. any other premises **you** acquire during the policy term and which **you** intend to use as a **residence premises** or for **farming**;
- d. that part of any other premises where **you** reside and which is shown in the Declarations;
- e. any part of a premises not owned by any **insured** but where an **insured** may be temporarily residing;
- f. any part of a premises not owned by any **insured** which an **insured** may rent for nonbusiness purposes, such as banquet halls and storage facilities;
- g. vacant land and farmland owned by or rented to any **insured**;
- h. cemetery plots or burial vaults owned by any **insured**; and
- i. land owned by or rented to any **insured** on which a one or two family dwelling is being constructed as a residence for that **insured** or on which a **farm** building or other **farm** structure is being built for use by that **insured**.

**14. Livestock** means dairy cattle, beef cattle, sheep, swine, goats, horses, mules and donkeys used or raised on a **farm** and includes any other animal

when described under "Scheduled Farm Personal" in the Declarations. **Livestock** does not include poultry or household pets.

**15. Mobile equipment** means any of the following types of land vehicles, including any attached machinery or equipment:

- a. bulldozers, forklifts and other vehicles designed for use principally off public roads;
- b. vehicles maintained for use solely on or next to premises **you** own or rent;
- c. vehicles that travel on crawler treads;
- d. vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) power cranes, shovels, loaders, diggers or drills; or
  - (2) road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) cherry pickers and similar devices used to raise or lower workers; and
- f. vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not **mobile equipment** but will be considered **motor vehicles**:
  - (1) equipment designed primarily for:
    - (a) snow removal;
    - (b) road maintenance, but not construction or resurfacing; or
    - (c) street cleaning;

- (2) cherry pickers and similar devices mounted on **motor vehicle** chassis and used to raise or lower workers; and
- (3) air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

**Mobile equipment** does not include a **motor vehicle** or **recreational vehicle**.

- 16. Motor vehicle** means a motorized land vehicle. **Motor vehicle** does not include a **farm implement** or a **recreational vehicle**.
- 17. Neighborly exchange** means a mutual exchange of service or labor in which an **insured** participates and for which there is no monetary exchange.
- 18. Occurrence** means an accident that results in **bodily injury** or **property damage** and includes, as one **occurrence**, all continuous or repeated exposure to substantially the same generally harmful conditions.
- 19. Overspray** means spray, from a device specifically designed for spray application or dispersal, that goes beyond the entire area of intended application or dispersal.
- 20. Personal injury** means:
- a. libel, slander or defamation of character;
  - b. false arrest, detention or imprisonment, or malicious prosecution;
  - c. invasion of privacy; or
  - d. wrongful eviction or wrongful entry.
- Personal injury** does not include **bodily injury**.
- 21. Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, liquids, gases and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 22. Property damage** means damage to or destruction of tangible property including resulting loss of use of that property.

**23. Recreational vehicle** means a motorized land vehicle designed primarily for recreational purposes but not designed for travel on public roads. **Recreational vehicle** does not include a **motor vehicle**, **watercraft** or **farm implement**.

**24. Relative** means a person who resides with **you** and who is related to **you** by blood, marriage or adoption. **Relative** includes a ward or foster child who resides with **you**.

**25. Residence employee** means:

- a. an employee of any **insured** whose duties are in connection with the maintenance or use of the **residence premises**, including household or domestic services; or
- b. an employee of any **insured** who performs similar duties elsewhere but not in connection with any **insured's business**.

**Residence employee** does not include **farm employee**.

**26. Residence premises** means:

- a. the one or two family dwelling where **you** reside, including the building, the grounds and other structures on the grounds; or
- b. that part of any other building where **you** reside, including grounds and structures;

not used for **farming** which is described in the Declarations.

**27. Suit** means a civil court proceeding in which damages because of loss to covered property, **bodily injury**, **property damage**, **personal injury** or **advertising injury** to which this insurance applies are alleged.

**28. Watercraft** means a conveyance capable of being used as a means of transportation on water.

**29. We, us or our** means the Company providing this insurance.

**30. You or your** means the named insured shown in the Declarations and if an individual, **your** spouse who resides in the same household.

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**SECTION I - PROPERTY PROTECTION**

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**RESIDENTIAL PROPERTY - COVERAGES**

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**COVERAGE A - DWELLING****COVERED PROPERTY**

We cover:

1. **your** dwelling located at the **residence premises** including structures attached to that dwelling. This dwelling must be used principally as a private residence.
2. additional dwellings located at an **insured premises** including structures attached to such dwellings. These dwellings must be used principally as private residences.
3. when a dwelling described in 1. or 2. above is a mobile home:
  - a. equipment and accessories originally built into and remaining a permanent part of such mobile home.
  - b. appliances, furniture and equipment listed in the sales invoice or certificate of origin and replacements for these.
  - c. steps and foundation supports.
  - d. tanks connected to and furnishing heating or cooking fuel to such mobile home.
  - e. cabanas, air conditioners and other equipment which are designed to create additional living facilities while off the highway.
  - f. anchors, skirting and tiedown equipment.
  - g. outside radio or television antennas or towers serving such mobile home.
4. building equipment and outdoor equipment located at the insured location and used to service such premises, if not insured elsewhere in this policy.
5. construction material and supplies at or next to the **residence premises** for use in connection with **your** dwelling or other structures insured under COVERAGE B.

**PROPERTY NOT COVERED**

We do not cover any land, including land the covered dwelling(s) occupies.

**COVERAGE B - OTHER NON-FARM STRUCTURES****1. COVERED PROPERTY**

We cover:

- a. other non-farm structures at the **residence premises** which are not attached to the dwelling. This includes structures which are connected to the dwelling by only a utility line, fence or other similar connection.
- b. other non-farm structures which **you** own and **you** use in connection with the **residence premises** that are located at an **insured premises** other than the **residence premises**.

**2. PROPERTY NOT COVERED**

We do not cover:

- a. any structures used for **business** or **farming** purposes.
  - b. structures used as dwellings and structures originally constructed for use as a dwelling unless located at the **residence premises**.
  - c. any structures rented to or held out for rental to any person or entity who is not a tenant of the dwelling unless such structure is used only as a private garage.
  - d. any land, including land the structures occupy.
3. If the replacement cost of all structures covered under COVERAGE B, 1. COVERED PROPERTY, above is less than the limit of insurance, **we** shall add the excess amount to the limit of insurance for COVERAGE A. If there are no other structures, **we** shall add the limit of insurance for this coverage to the limit of insurance for COVERAGE A. This provision applies only:

- a. if loss or damage to **your** dwelling exceeds the limit of insurance for COVERAGE A;
- b. **you** repair or replace the damaged property; and
- c. the amount **you** actually and necessarily spend exceeds the limit of insurance for COVERAGE A.

## COVERAGE C - HOUSEHOLD PERSONAL PROPERTY

### COVERED PROPERTY

**We** cover:

1. household personal property owned or used by any **insured** anywhere in the world including property not permanently attached to or otherwise forming a part of realty.
2. at **your** option, household personal property owned by others while it is in that part of the **residence premises** occupied by any **insured**.
3. at **your** option, household personal property of a house guest or **residence employee** while in any residence of any **insured**.
4. any household personal property which is usually at any **insured's** residence other than the **residence premises** for up to 10% of the COVERAGE C limit but not less than \$1,000. This limitation does not apply to household personal property in a newly acquired principal residence for the first 30 days after **you** begin to move there.

### PROPERTY NOT COVERED

**We** do not cover:

1. **farm** personal property including equipment, accessories and parts.
2. animals, birds and fish.
3. **aircraft**, their equipment, accessories and parts. **We** do cover model **aircraft** neither designed nor used for transporting persons or cargo.
4. personal property of roomers and boarders who are not related to any **insured**.

5. personal property of tenants.
6. data used for **business** or **farming** including the media used to store the data. This includes:
  - a. electronic data storage devices; and
  - b. paper records of any kind.

**We** do cover the cost of unexposed or blank media and the cost of prerecorded computer programs which are available in the retail market place.

7. household personal property rented to or held out for rental to others by any **insured**. **We** do cover such household personal property while on that part of the **residence premises** used exclusively by any **insured** or roomers and boarders.
8. household personal property except **your** appliances and other household furnishings in that part of an **insured premises** regularly rented to or held out for rental to others (except roomers or boarders) by any **insured** for use as living quarters.
9. **motor vehicles** and **recreational vehicles**. **We** do cover:
  - a. **motor vehicles** not subject to registration by a state regulatory agency which are used primarily for servicing and maintaining the **residence premises**.
  - b. **recreational vehicles** which are used primarily for servicing and maintaining the **residence premises**.
  - c. a conveyance designed primarily to provide mobility to the handicapped provided it is not licensed for operation on public roadways.
  - d. electrically powered vehicles designed for and used as a toy.
10. **motor vehicle** and **recreational vehicle** equipment, accessories and parts. **We** do cover:
  - a. citizens band radios, cellular telephones, radio transceivers, radio transmitters and similar transmitting equipment; and
  - b. devices or instruments for the recording or reproduction of sound

while in or upon a **motor vehicle** or **recreational vehicle** if capable of being operated by both electrical current from the vehicle operating system and electrical current from a source other than the vehicle; and

c. accessories, antennas, tapes, wires, records, discs and other media for use with the items described in a. and b. above while in or upon such vehicles.

d. spare or replacement **motor vehicle** and **recreational vehicle** equipment, accessories or parts when not installed in or upon the **motor vehicle** or **recreational vehicle**.

11. any device designed or used to detect, avoid or locate radar or any other speed measuring or calculating apparatus while in or upon a **motor vehicle**.
12. contraband or property in the course of illegal transportation or trade; or property seized or subject to seizure by any governmental authority.
13. property specifically described and insured by this policy or any other insurance.

#### SPECIAL LIMITS OF INSURANCE FOR CERTAIN HOUSEHOLD PERSONAL PROPERTY

Special limits of insurance apply to the following groups of household personal property. These limits do not increase the limit of insurance for COVERAGE C. The special limit for each group is the most **we** shall pay in any one loss for all household personal property in that group.

1. \$250 for money, bank notes, and bullion; coins and medals and other numismatic property; and precious metals including platinum, gold and silver, but not goldware or silverware.
2. \$1,000 for securities, checks, accounts, deeds, evidences of debt, letters of credit, notes other than bank notes; passports, personal data and records, manuscripts, tickets; and stamps and other philatelic property. This limit applies to these categories regardless of the media on which the material exists and includes the cost to research, replace or restore the information from the lost or damaged material.
3. \$1,000 for **watercraft**, including their equipment, accessories or parts, trailers and outboard motors.

4. \$1,000 for trailers not used to transport **watercraft**.
5. \$1,000 for theft of jewelry, watches, precious and semi-precious stones, and furs, including any article containing fur which represents its principal value.
6. \$2,500 for cemetery markers, headstones and urns.
7. \$5,000 for theft of silverware, silver-plated ware, goldware, gold-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.
8. \$2,500 for theft of guns and their accessories, parts or equipment.
9. \$2,500 for household personal property located on the **insured premises** that is used in any way or at any time for **business** purposes.
10. \$1,000 for household personal property located away from the **insured premises** that is used in any way or at any time for **business** purposes.
11. \$10,000 for loss by theft of carpets (except wall-to-wall carpet), tapestries, rugs, wall-hangings or other similar articles. However, **we** shall not pay more than \$5,000 for any one article.
12. \$1,000 for trading cards.
13. \$2,500 for spare or replacement **motor vehicle** and **recreational vehicle** equipment, accessories or parts when not installed in or upon the **motor vehicle** or **recreational vehicle**.
14. \$2,500 for **your** appliances and other household furnishings in that part of an **insured premises** regularly rented to or held out for rental to others (except roomers or boarders) by **you**.
15. \$1,000 for:
  - a. citizens band radios, cellular telephones, radio transceivers, radio transmitters and similar transmitting equipment; and
  - b. devices or instruments for the recording or reproduction of sound

while in or upon a **motor vehicle** or **recreational vehicle** if capable of being operated by both electrical current from the vehicle operating system and electrical current from a source other than the vehicle; and

- c. accessories, antennas, tapes, wires, records, discs and other media for use with items a. and b. above while in or upon such vehicles. However, **we** shall pay no more than \$250 in any one loss for these items.

**COVERAGE D - ADDITIONAL LIVING EXPENSE OR LOSS OF RENTS**

1. a. If a covered loss makes **your residence premises** unfit to live in, **we** shall pay, at **your** option, either:
  - (1) the reasonable increase in **your** living expenses necessary to maintain **your** normal standard of living while **you** live elsewhere; or
  - (2) the fair rental value of that part of the **residence premises** where **you** reside, less any charges and expenses which do not continue while the **residence premises** is unfit to live in.
- b. **We** shall pay for only the shortest time required to repair or replace the **residence premises** or for **you** to permanently relocate.
- c. **We** shall also pay for **your** loss of normal rents resulting from a covered loss while the rented part of the **residence premises** is unfit to live in, less charges and expenses which do not continue during that time. **We** shall pay this loss of normal rents only for the shortest time needed to make the rented part fit to live in.

- d. If damage caused by a peril **we** insure against occurs at a neighboring premises, **we** shall pay reasonable additional living expenses and loss of normal rents as provided in a. and b. above for up to two weeks provided civil authorities prohibit occupancy of the **residence premises**.
  - e. These periods of time shall not be shortened by the expiration of this policy. **We** shall not pay for loss or expense because of the cancellation of any lease or agreement.
2. a. If a covered loss makes a dwelling insured by this policy unfit to live in, other than the **residence premises**, **we** shall pay for **your** loss of normal rents, minus charges and expenses which do not continue, resulting from such covered loss while the dwelling is unfit to live in. **We** shall pay this loss of normal rents only for the shortest time needed to make the rented part of the dwelling fit to live in.
    - b. If damage caused by a peril **we** insure against occurs at a neighboring premises, **we** shall pay for loss of normal rents as provided above for up to two weeks provided civil authorities prohibit occupancy of the **insured premises**.
    - c. These periods of time shall not be shortened by the expiration of this policy. **We** shall not pay for any loss or expenses because of the cancellation of any lease or agreement.

No deductible applies to this coverage.

**RESIDENTIAL PROPERTY - PERILS WE INSURE AGAINST**

**COVERAGE A - DWELLING**

**COVERAGE B - OTHER NON-FARM STRUCTURES**

**COVERAGE C - HOUSEHOLD PERSONAL PROPERTY**

When "Broad Perils" is designated in the Declarations, **we** cover accidental direct physical loss to covered property described under COVERAGE A, COVERAGE B and COVERAGE C, except for losses excluded elsewhere in this policy, caused by any of the following perils unless specifically limited by the Declarations:

1. Fire or Lightning.
2. Windstorm or Hail. This peril does not include loss:
  - a. to the interior of any building or to covered property in any building, caused by rain, snow, sand, sleet or dust unless the building is first damaged by the direct force of wind or hail, creating an opening through which the rain, snow, sand, sleet or dust enters the building;
  - b. to **watercraft** (except rowboats and canoes while on **insured premises**) and their trailers, equipment, accessories, parts and motors unless inside a fully enclosed building.

3. Explosion.
4. Riot or Civil Commotion.
5. **Aircraft.**
6. Vehicles.
7. Smoke. This peril applies only if the loss is sudden and accidental but does not include loss caused by smoke from agricultural smudging or industrial operations.
8. Vandalism or malicious mischief. This peril does not include loss under COVERAGE A - DWELLING or COVERAGE B - OTHER NON-FARM STRUCTURES at any **insured premises** if the dwelling has been vacant for more than 30 consecutive days immediately preceding the loss. A dwelling under construction or undergoing reconstruction or remodeling is not considered vacant.
9. Theft or Attempted Theft, including loss of covered property from a known place if it is likely that a theft has occurred.
  - a. This peril does not include theft:
    - (1) committed by any **insured** or by any other person regularly residing at the **residence premises**. Covered property of a student who is an **insured** is covered while located at a residence away from the **residence premises**, if the theft is committed by a person who is not an **insured**;
    - (2) in or from a dwelling under construction or of construction materials and supplies until the dwelling is completed and occupied; nor
    - (3) from any part of the **residence premises** rented by any **insured** to other than an **insured**.
  - b. This peril does not include theft away from the **insured premises** of:
    - (1) covered property while in any other residence or on its premises which is owned, rented or occupied by any **insured** except while any **insured** is temporarily residing there. Covered property of any **insured** who is a student is covered at a residence away from the **residence premises** if the student has been there at any time during the 45 days just before the loss.

If the **residence premises** is a newly acquired residence, covered property in the immediate past residence shall not be considered property away from the **residence premises** for the first 30 days after **you** begin moving covered property from that residence.

- (2) **watercraft** and their equipment, accessories, parts and outboard motors.
  - (3) trailers, camping trailers and campers designed to be pulled by or carried on a **motor vehicle**.
10. Falling Objects. This peril does not include loss to the interior of a building or to covered property within a building unless the falling object first damages the exterior of the building. **We** do not cover damage to the falling object.
  11. Weight of ice, snow or sleet which damages a covered building or covered property in a building.
 

This peril does not apply to loss to:

    - a. awnings and fences; or
    - b. pavements, patios, swimming pools, foundations, retaining walls, bulkheads, piers, wharves or docks.
  12. Sudden and accidental tearing apart, cracking, burning or bulging of a heating, air conditioning or automatic fire protection sprinkler system or a water heating appliance. This peril does not include loss which is caused by or results from freezing.
  13. Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protection sprinkler system or a domestic appliance. **We** shall also pay the cost of tearing out and replacing any part of the covered building necessary to repair the system or appliance from which the water or steam escapes. This peril does not apply to loss:
    - a. to the system or appliance from which the water or steam escapes;
    - b. caused by continuous or repeated seepage or leakage over a period of weeks, months or years;
    - c. caused by or resulting from freezing except as provided by the peril freezing;

- d. caused by or resulting from water from outside the plumbing system that enters through sewers or drains, or water which enters into and overflows from within a sump pump, sump pump well or other type system designed to remove subsurface water which is drained from the foundation area; nor
- e. to property at a building vacant for more than 30 consecutive days immediately before the loss. A building under construction or undergoing reconstruction or remodeling is not considered vacant.

A plumbing system does not include a sump, sump pump or related equipment.

- 14. Freezing of a plumbing, heating, air conditioning or automatic fire protection sprinkler system or a domestic appliance.
- 15. Sudden and accidental loss caused by an increase or decrease of artificially generated electrical

currents. This peril does not include loss to electronic components unless caused by such increase or decrease.

- 16. Volcanic Eruption. This peril does not include loss caused by earthquake or land shock waves or tremors which occur before, during or after a volcanic eruption. All volcanic eruptions that occur within a period of 72 hours will be considered one volcanic eruption.

### COVERAGE A - DWELLING COVERAGE B - OTHER NON-FARM STRUCTURES

When "Special Perils" is designated in the Declarations, **we** cover accidental direct physical loss to covered property described under COVERAGE A and COVERAGE B except for losses excluded elsewhere in this policy.

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## RESIDENTIAL PROPERTY - EXCLUSIONS

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### COVERAGE A - DWELLING COVERAGE B - OTHER NON-FARM STRUCTURES COVERAGE C - HOUSEHOLD PERSONAL PROPERTY

**We** do not cover loss to covered property caused directly or indirectly by any of the following, whether or not any other cause or event contributed concurrently or in any sequence to the loss:

- 1. Enforcement of any ordinance or law regulating the construction, repair or demolition of a building or other structure, unless specifically provided under this policy. This exclusion does not apply to loss to covered property caused by actions of civil authorities to prevent the spread of a fire caused by a peril **we** insure against.
- 2. Earth movement, meaning earthquake, including land shock waves or tremors before, during or after an earthquake; land shock waves or tremors before, during or after volcanic eruption; landslide, mine subsidence, mudflow, erosion, earth sinking, earth rising or earth shifting. This exclusion does not apply to ensuing direct loss caused by fire, explosion, breakage of building glass or safety glazing material.

- 3. Water damage, meaning:

- a. flood, surface water, waves, tidal water or overflow of a body of water. **We** do not cover spray from any of these, whether or not driven by the wind;
- b. water or sewage from outside the plumbing system that enters through sewers or drains;
- c. water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or
- d. water below the surface of the ground. This includes water which exerts pressure on or flows, seeps or leaks through any part of a building including the foundation, sidewalk, driveway, swimming pool or other structure.

This exclusion does not apply to ensuing direct loss to covered property caused by theft, fire or explosion.

- 4. Failure or interruption of power or other utility service which occurs away from the **residence premises**.

**We** shall pay for loss caused solely by a peril **we** insure against that ensues at the **residence premises**.

5. Freezing of plumbing, heating, air conditioning or automatic fire protection sprinkler systems or domestic appliances, or by discharge, leakage or overflow from the system or appliance caused by freezing while the building is vacant, unoccupied or in the course of construction unless, prior to the loss, **you** have either:
  - a. shut off the water supply and drained the systems and appliances; or
  - b. maintained heat in the building.
6. Failure of any **insured** to use all reasonable means to protect covered property at and after the time of loss or when the covered property is endangered.
7. An action by or at the direction of any **insured** committed with the intent to cause a loss.
8. War, including any undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these.
9. Nuclear action, meaning nuclear reaction, radiation or radioactive contamination, however caused and whether controlled or uncontrolled, or any consequence of any of these. Nuclear action includes the discharge of a nuclear weapon, even if accidental. Loss caused by nuclear action is not considered loss by the perils of Fire, Explosion or Smoke. Direct loss by fire resulting from nuclear action is covered.

## COVERAGE A - DWELLING

## COVERAGE B - OTHER NON-FARM STRUCTURES

When "Special Perils" is designated in the Declarations, the following additional exclusions apply.

Except as to ensuing loss not otherwise excluded, **we** also do not cover loss resulting directly or indirectly from:

1. Weather conditions which contribute in any way with any events excluded in exclusions 1. through 9. above to cause the loss.

2. Acts or decisions of any person, group, organization or governmental body, or their failure to act or decide.
3. Faulty, inadequate or defective:
  - a. construction, reconstruction, repair, remodeling or renovation;
  - b. materials used in construction, reconstruction, repair, remodeling or renovation;
  - c. design, workmanship or specifications;
  - d. siting, surveying, zoning, planning, development, grading or compaction; or
  - e. maintenance
 of a part or all of the **insured premises** or any other property.
4.
  - a. Wear and tear, marring, scratching or deterioration;
  - b. inherent vice, latent defect or mechanical breakdown;
  - c. rust, corrosion or electrolysis, mold or mildew, or wet or dry rot;
  - d. smog, smoke from agricultural smudging or industrial operations;
  - e. settling, shrinkage, bulging or expansion, including resultant cracking of pavement, patios, foundations, walls, floors, ceilings or roofs;
  - f. birds, vermin, rodents or insects;
  - g. animals owned or kept by any **insured** or tenant; or
  - h. discharge, release, escape, seepage, migration or dispersal of **pollutants** unless caused by a peril **we** insure against under COVERAGE C. This exclusion does not apply to the additional coverage HEATING FUEL DAMAGE.

If because of any of these (4.a. - 4.h. above), water escapes from a plumbing, heating, air conditioning or automatic fire protection sprinkler system or domestic appliance, **we** cover loss caused by the water. **We** also cover the cost of tearing out and replacing any part of the covered building necessary to repair the system or appliance. **We** do not cover

loss to the system or appliance from which the water escapes.

5. Theft in or from a dwelling under construction or of construction materials and supplies until completed and occupied.
6. Continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, air conditioning or automatic fire protection sprinkler system or from within a domestic appliance which occurs over a period of weeks, months or years.
7. Continuous or repeated seepage or leakage from bathtubs, showers or sinks. This exclusion applies when the dwelling is not owner occupied.
8. Freezing, thawing, pressure or weight of water or ice, whether or not driven by wind, to a fence, pavement, patio, swimming pool, foundation, retaining wall, bulkhead, pier, wharf or dock.
9. Collapse except as provided by the additional coverage COLLAPSE.
10. Vandalism and malicious mischief, theft or attempted theft or breakage of glass or safety glazing materials if the dwelling has been vacant for more than 30 consecutive days immediately preceding the loss. A dwelling that is under construction or undergoing reconstruction or remodeling is not considered vacant.

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## FARM PROPERTY - COVERAGES

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### COVERAGE E - FARM BUILDINGS AND STRUCTURES

#### COVERED PROPERTY

**We cover:**

1. **farm** buildings and structures, which are described in the Declarations including attached sheds, foundations and permanent fixtures including but not limited to bulk tanks and gutter cleaners. Exterior wiring servicing a described building is part of such building.
2. fences and corrals, pens, chutes and feed racks which are described in the Declarations.
3. construction materials and supplies at or next to the **insured premises** for use in the repair or alteration of a described building or structure.

#### PROPERTY NOT COVERED

**We do not cover:**

1. attached or detached silos and silo unloaders. **We** do cover silos and silo unloaders which are described in the Declarations.
2. any land or water including land any **farm** building or structure occupies.

### COVERAGE F - FARM PERSONAL PROPERTY

#### BLANKET COVERAGE

#### COVERED PROPERTY

**We cover farm** personal property that is usual and incidental to the operation of a **farm** when "Blanket Farm Personal Property" is shown in the Declarations.

If loss under BLANKET FARM PERSONAL PROPERTY is less than \$2,500, **we** shall add the difference between the amount **we** pay for such loss and \$2,500 to the limit of insurance for COVERAGE C - HOUSEHOLD PERSONAL PROPERTY. If **you** have no **farm** personal property, **we** shall add this \$2,500 limit of insurance for this coverage to the limit of insurance for COVERAGE C - HOUSEHOLD PERSONAL PROPERTY. This provision applies only if:

1. loss or damage to **your** personal property exceeds the limit of insurance for COVERAGE C - HOUSEHOLD PERSONAL PROPERTY;
2. **you** repair or replace the damaged property; and
3. the amount **you** actually and necessarily spend exceeds the limit of insurance for COVERAGE C - HOUSEHOLD PERSONAL PROPERTY.

**PROPERTY NOT COVERED**

**We** do not cover:

1. **aircraft**, their equipment, accessories or parts.
2. household personal property.
3. growing crops.
4. standing or harvested crops which are in the open. **We** do cover such crops only for accidental direct physical loss caused by the perils of fire, lightning, vandalism, malicious mischief or vehicles not owned or operated by any **insured**.
5. animals other than **livestock** and poultry.
6. windmills and wind chargers.
7. furs or pelts.
8. sawmill equipment and accessories.
9. fences and corrals, pens, chutes and feed racks.
10. sugar houses, smoke houses, slaughter houses or mint stills.
11. **livestock** in a stockyard, slaughter or packing house, sale barn or yard.
12. portable buildings and portable structures.
13. **a.** outdoor radio;  
**b.** outdoor television; and  
**c.** outdoor satellite  
antennas and towers.
14. **motor vehicles, recreational vehicles** or their equipment accessories or parts. **We** do cover:
  - a.** citizens band radios, cellular telephones, radio transceivers, radio transmitters and similar transmitting equipment;
  - b.** devices or instruments for the recording or reproduction of sound  
  
while in or upon a **farm implement** if capable of being operated by both electrical current from the vehicle operating system and electrical current from a source other than the vehicle; and

- c.** accessories, antennas, tapes wires, records, discs and other media for use with items a. and b. above while in or upon such vehicles.

15. **watercraft**, their equipment, accessories or parts.
16. **farm implements** designed, altered or modified for use in any speed, race or pulling contest.
17. **farm implements** while used for commercial purposes or custom work. This exclusion does not apply to **neighborly exchange** by any **insured**.
18. contraband or property in the course of illegal transportation or trade; or property seized or subject to seizure by any governmental authority.
19. property specifically described and insured by this or any other insurance.
20. **farm** personal property while leased or rented to others.

**SPECIAL LIMITS OF INSURANCE - BLANKET COVERAGE**

Special limits of insurance apply to the following groups of **farm** personal property. These limits do not increase the amount of insurance applying to COVERAGE F. **We** shall not pay more than:

1. 10% of the **Farm** Blanket Personal Property limit of insurance shown in the Declarations for standing crops and harvested crops which are in the open.
2. \$5,000 for any one head of **livestock**. However, **we** shall pay no more than \$2,500 for any one head of dairy cattle, beef cattle, horse or mule less than one year old.
3. \$1,000 for all **farm** personal property in the possession of a common carrier or bailee. This coverage shall be excess of all other applicable coverage.
4. \$1,000 for:
  - a.** citizens band radios, cellular telephones, radio transceivers, radio transmitters and similar transmitting equipment; and
  - b.** devices or instruments for the recording or reproduction of sound  
  
while in or upon a **farm implement** if capable of being operated by both electrical current from the vehicle operating system and electrical current from a source other than the vehicle; and

- c. accessories, antennas, tapes, wires, records, discs and other media for use with items a. and b. above while in or upon such vehicles. However, **we** shall pay no more than \$250 in any one loss for these items.
5. The limit of insurance shown in the Declarations for "Borrowed Equipment" for **farm implements** which are not owned by an **insured** while in the care or control of an **insured**. This coverage shall be excess of all other applicable coverage.

## SCHEDULED COVERAGE

### COVERED PROPERTY

**We** cover **farm** personal property that is usual and incidental to the operation of a **farm** which is described in the Declarations under "Scheduled Farm Personal Property".

## FARM PROPERTY - PERILS WE INSURE AGAINST

### COVERAGE E - FARM BUILDINGS AND STRUCTURES

### COVERAGE F - FARM PERSONAL PROPERTY

1. a. When "Broad Perils" is designated in the Declarations, **we** cover accidental direct physical loss to covered property described under COVERAGE E and COVERAGE F, except for losses excluded elsewhere in this policy caused by any of the following perils unless specifically limited by the Declarations:
- (1) Fire or Lightning.
  - (2) Windstorm or Hail. This peril does not include loss to the interior of any building or to covered property in any building, caused by rain, snow, sand, sleet or dust unless the building is first damaged by the direct force of wind or hail, creating an opening through which the rain, snow, sand, sleet or dust enters the building.
  - (3) Explosion.
  - (4) Riot or Civil Commotion.
  - (5) Aircraft.
  - (6) Vehicles.
  - (7) Smoke. This peril applies only if the loss is sudden and accidental but does not include loss caused by smoke from agricultural smudging or industrial operations.
  - (8) Vandalism or malicious mischief. This peril does not include loss under COVERAGE E -

FARM BUILDINGS AND STRUCTURES at any **insured premises** if the **farm** building or structure has been vacant for more than 30 consecutive days immediately preceding the loss. A **farm** building or structure under construction or undergoing reconstruction or remodeling is not considered vacant.

- (9) Theft or Attempted Theft, including loss of covered property from a known place if it is likely that a theft has occurred. This peril does not apply to theft:
  - (a) committed by any **insured** or by any other person regularly residing at the **residence premises**.
  - (b) in or from a building or structure under construction or of construction materials and supplies until the building or structure is completed and put to its intended purpose.
  - (c) from any part of the **residence premises** rented by any **insured** to other than an **insured**.
  - (d) committed by a **farm employee, residence employee** or by a tenant of an **insured premises**.
  - (e) which is discovered by taking inventory.
- (10) Falling Objects. This peril does not include loss to the interior of a building or to covered property within a building unless the falling object first damages the exterior of the building. **We** do not cover damage to the falling object.

- (11) Weight of ice, snow or sleet which damages a covered building or property in a building.

This peril does not apply to loss to:

- (a) awnings and fences; or
  - (b) pavements, patios, swimming pools, foundations, retaining walls, bulkheads, piers, wharves or docks.
- (12) Sudden and accidental tearing apart, cracking, burning or bulging of a heating, air conditioning or automatic fire protection sprinkler system or a water heating appliance. This peril does not include loss which is caused by or results from freezing.
- (13) Accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protection sprinkler system or a domestic appliance. **We** also pay the cost of tearing out and replacing any part of the covered building necessary to repair the system or appliance from which the water or steam escapes. This peril does not apply to loss:
- (a) caused by continuous or repeated seepage or leakage over a period of weeks, months or years;
  - (b) to the system or appliance from which the water or steam escapes;
  - (c) caused by or resulting from freezing, except as provided by the peril of freezing;
  - (d) caused by or resulting from water from outside the plumbing system that enters through sewers or drains, or water which enters into and overflows from within a sump pump, sump pump well or other type system designed to remove subsurface water which is drained from the foundation area; nor
  - (e) to property at a building vacant for more than 30 consecutive days immediately before the loss. A building under construction or undergoing reconstruction or remodeling is not considered vacant.

A plumbing system does not include a

sump, sump pump or related equipment.

- (14) Freezing of a plumbing, heating, air conditioning or automatic fire protection sprinkler system or a domestic appliance.
- (15) Volcanic Eruption. This peril does not include loss caused by earthquake or land shock waves or tremors which occur before, during or after a volcanic eruption. All volcanic eruptions that occur within a period of 72 hours will be considered one volcanic eruption.

#### b. COVERAGE F - FARM PERSONAL PROPERTY

In addition, when "Broad Perils" is designated in the Declarations, **we** cover accidental direct physical loss to covered property described under COVERAGE F caused by any of the following perils except for losses excluded elsewhere in this policy.

- (1) Collision, meaning loss or damage to **farm implements** because of accidental collision with another object including accidental upset or overturn. This peril does not apply to tires unless the loss or damage occurs at the same time loss or damage occurs to the **farm implement**. Collision does not include a foreign object being taken into a **farm implement**.
- (2) Death or destruction of **livestock** or poultry caused by or made necessary by:
  - (a) electrocution.
  - (b) attack by wild dog(s) or animal(s).
  - (c) drowning. This peril does not apply to death caused by drowning of swine less than 30 days old.
  - (d) accidental shooting of **livestock** or poultry. This peril does not apply to accidental shooting caused by:
    - 1) any **insured**;
    - 2) any person residing on an **insured premises**; or
    - 3) any **residence employee** or **farm employee**.

2. When "Special Perils" is designated in the Declarations, **we** cover accidental direct physical loss to

covered property described under COVERAGE E and COVERAGE F except for losses excluded elsewhere in this policy.

## FARM PROPERTY - EXCLUSIONS

### COVERAGE E - FARM BUILDINGS AND STRUCTURES

### COVERAGE F - FARM PERSONAL PROPERTY

1. a. **We** do not cover loss to covered property caused directly or indirectly by any of the following, whether or not any other cause or event contributed concurrently or in any sequence to the loss:

- (1) Enforcement of any ordinance or law regulating the construction, repair or demolition of a building or other structure, unless specifically provided under this policy. This exclusion does not apply to loss to covered property caused by actions of civil authorities to prevent the spread of a fire caused by a peril **we** insure against.
- (2) Earth movement, meaning earthquake, including land shock waves or tremors before, during or after an earthquake; land shock waves or tremors before, during or after a volcanic eruption; landslide, mine subsidence, mudflow, erosion, earth sinking, earth rising or earth shifting. This exclusion does not apply to ensuing direct loss caused by fire, explosion, or breakage of building glass or safety glazing material.
- (3) Water damage, meaning:
  - (a) flood, surface water, waves, tidal water or overflow of a body of water. **We** do not cover spray from any of these, whether or not driven by the wind;
  - (b) water or sewage from outside the plumbing system that enters through sewers or drains;
  - (c) water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or

- (d) water below the surface of the ground. This includes water which exerts pressure on or flows, seeps or leaks through any part of a building including the foundation, sidewalk, driveway, swimming pool or other structure.

This exclusion does not apply to ensuing direct loss to covered property caused by theft, fire or explosion.

- (4) Failure or interruption of power or other utility service which occurs away from the **insured premises**. **We** shall pay for loss caused solely by a peril **we** insure against that ensues at the **insured premises**.
- (5) Freezing of a plumbing, heating, air conditioning or automatic fire protection sprinkler system or a domestic appliance, or by discharge, leakage or overflow from the system or appliance caused by freezing while the building is vacant, unoccupied or in the course of construction unless, prior to the loss, **you** have either:
  - (a) shut off the water supply and drained the system and appliance; or
  - (b) maintained heat in the building.
- (6) Failure of any **insured** to use all reasonable means to protect covered property at and after the time of loss or when the covered property is endangered.
- (7) An action by or at the direction of any **insured** committed with the intent to cause a loss.
- (8) War, including any undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these.
- (9) Nuclear action, meaning nuclear reaction, radiation or radioactive contamination,

however caused and whether controlled or uncontrolled, or any consequence of any of these. Nuclear action includes the discharge of a nuclear weapon, even if accidental. Loss caused by nuclear action is not considered loss by the perils of Fire, Explosion or Smoke. Direct loss by fire resulting from nuclear action is covered.

#### b. COVERAGE F - FARM PERSONAL PROPERTY

In addition, **we** do not cover loss to covered property caused directly or indirectly by any of the following, whether or not any other cause or event contributed concurrently or in any sequence to the loss:

- (1) Death or injury to **livestock** or poultry caused by:
  - (a) running into streams or ditches;
  - (b) running against fences or other objects;
  - (c) smothering;
  - (d) freezing; or
  - (e) fright.
- (2) Conversion or embezzlement.
- (3) Escape or mysterious disappearance of **livestock** or poultry.
- (4) Parting with covered property when induced to do so under false pretenses.

#### 2. When "Special Perils" is designated in the Declarations, the following additional exclusions apply.

Except as to ensuing loss not otherwise excluded, **we** also do not cover loss resulting directly or indirectly from:

- a. Weather conditions which contribute in any way with any events excluded in exclusion 1.a.(1) through 1.a.(9) above to cause the loss.
- b. Acts or decisions of any person, group, organization or governmental body, or their failure to act or decide.
- c. Faulty, inadequate or defective:

- (1) construction, reconstruction, repair, remodeling or renovation;
- (2) materials used in construction, reconstruction, repair, remodeling or renovation;
- (3) design, workmanship or specifications;
- (4) siting, surveying, zoning, planning, development, grading or compaction; or
- (5) maintenance

of a part or all of the **insured premises** or any other property.

- d. (1) Wear and tear, marring, scratching or deterioration;
- (2) inherent vice, latent defect or mechanical breakdown;
- (3) rust, corrosion or electrolysis, mold or mildew, or wet or dry rot;
- (4) smog, smoke from agricultural smudging or industrial operations;
- (5) settling, shrinkage, bulging or expansion, including resultant cracking of pavement, patios, foundations, walls, floors, ceilings or roofs;
- (6) birds, vermin, rodents or insects;
- (7) animals owned or kept by any **insured** or tenant;
- (8) extremes of temperatures; or
- (9) discharge, release, escape, seepage, migration or dispersal of **pollutants** unless caused by a peril **we** insure against under COVERAGE C. This exclusion does not apply to the additional coverage HEATING FUEL DAMAGE.

If because of any of these 2.d(1) through 2.d.(9) above, water escapes from a plumbing, heating, air conditioning or automatic fire protection sprinkler system or domestic appliance, **we** cover loss caused by the water. **We** also cover the cost of tearing out and replacing any part of the covered building necessary to repair the system or appliance. **We** do not cover loss to the system or appliance from which the water escapes.

- e. Theft in or from a **farm** building or **farm** structure under construction or of construction materials and supplies until completed and occupied.
- f. Continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, air conditioning or automatic fire protection sprinkler system or from within a domestic appliance which occurs over a period of weeks, months or years.
- g. Freezing, thawing, pressure or weight of water or ice, whether or not driven by wind, to a fence, pavement, patio, swimming pool, foundation, retaining wall, bulkhead, pier, wharf or dock.
- h. Collapse except as provided by the additional coverage COLLAPSE.
- i. Vandalism and malicious mischief, theft or attempted theft or breakage of glass or safety glazing materials if the **farm** building or **farm** structure has been vacant for more than 30 consecutive days immediately preceding the loss. A **farm** building or **farm** structure that is under construction or undergoing reconstruction or remodeling is not considered vacant.
- j. Electrical breakdown or failure; by repairing or adjusting; or servicing or maintenance operation. However, if fire results, **we** will pay for loss or damage caused by fire.
- k. Dishonesty of employees or any person to whom the insured property is entrusted (other than common carriers).
- l. Loss or damage to tires or tubes unless caused by fire, windstorm or theft or is coincident with other damage insured by this policy.
- m. Preparation for, practice or participation in any prearranged racing, speed, strength or demolition contest.

## ADDITIONAL COVERAGES

### DEBRIS REMOVAL

**We** shall pay reasonable necessary expenses **you** incur to remove debris of covered property following a loss caused by a peril **we** insure against. **We** shall also pay reasonable necessary expenses **you** incur to remove ash, dust or particles from a volcanic eruption that has caused direct loss to a building or covered property within a building. This coverage does not apply to removal of trees, limbs and branches.

If damage to the covered property and the cost of debris removal is more than **our** limit of insurance for the covered property, **we** shall not pay more than the smallest of the following:

- a. the cost of debris removal; or
- b. up to an additional 5% of the limit of insurance for covered property but not less than \$1000.

### FIRE DEPARTMENT CHARGES

**We** shall pay up to the limit of insurance shown in the Declarations for this coverage for **your** liability under an agreement for service charges made by a fire department when called to protect **your** covered property from

a peril **we** insure against. These payments are in addition to the amount of insurance applying to the covered property. No deductible applies to this coverage.

### CREDIT CARD, CHARGE PLATE, FUND TRANSFER CARD, CHECK FORGERY AND COUNTERFEIT MONEY COVERAGES

#### 1. CREDIT CARD, CHARGE PLATE AND FUND TRANSFER CARD COVERAGE

If any **insured** is legally required to pay for the unauthorized use of a credit card or charge plate issued to any **insured**, **we** shall cover the loss. **We** shall also pay for loss which results from unauthorized use of a fund transfer card issued to any **insured**. A fund transfer card is one used for deposit, withdrawal or transfer of funds. **We** do not cover use of the credit card, charge plate or fund transfer card:

- a. by a resident of **your** household;
- b. by someone to whom any **insured** has given the card or plate; or

- c. unless the **insured** has met all the terms under which the credit card, charge plate or fund transfer card was issued.

## 2. CHECK FORGERY COVERAGE

**We** cover loss sustained by any **insured** which is caused by forgery or alteration of a check or other negotiable instruments.

## 3. COUNTERFEIT MONEY COVERAGE

**We** cover loss sustained by any **insured** because of acceptance in good faith of counterfeit United States or Canadian paper currency.

**We** may investigate any claim or settle any **suit** as **we** think appropriate. **We** shall not defend after **we** have paid an amount equal to the limit of **our** liability. **We** shall not pay more than the limit of insurance shown in the Declarations for any one loss involving one or more of these coverages. Repeated losses caused by one person or in which one person is involved shall be considered one loss.

**We** do not cover any loss that arises from a **business** of any **insured** or dishonesty of an **insured**. No deductible applies to these coverages.

If a claim is made or a **suit** is brought against any **insured** for liability under the Credit Card, Charge Plate or Fund Transfer Card Coverage, **we** will defend that **insured**. **We** will do this at **our** expense, using attorneys of **our** choice.

**We** may at **our** option and at **our** expense, defend any **insured** or that person's bank against a **suit** to enforce payment under the Check Forgery Coverage.

## EMERGENCY REMOVAL OF PROPERTY

**We** will pay for loss to covered property damaged in any way when being removed or while removed from an **insured premises** because of danger from a peril **we** insure against. Coverage is limited to a 30 day period beginning on the date of removal. **We** shall also pay for reasonable necessary expenses incurred by **you** for the removal and return of the covered property. This is not an additional amount of insurance.

**We** will also pay up to \$1,000 to remove and return **your** mobile home because of danger from a peril **we** insure against. This is not an additional amount of insurance.

## NECESSARY REPAIRS AFTER LOSS

**We** shall pay the reasonable cost of necessary, temporary repairs made solely to protect covered property from further damage following a loss caused by a peril **we** insure against. This is not an additional amount of insurance.

## TREES, SHRUBS, PLANTS AND LAWNS

**We** shall pay up to 5% of the COVERAGE A limit of insurance for loss to outdoor trees, shrubs, plants and lawns which are within 250 feet of a building at the **residence premises** and which is covered by this policy. Coverage applies to only loss, including debris removal, caused by the following perils: Fire or Lightning, Explosion, Riot or Civil Commotion, **Aircraft**, Vehicles not owned or operated by an occupant of the **residence premises**, Vandalism and Malicious Mischief or Theft.

**We** shall not pay:

1. more than \$500 for any one outdoor tree, shrub or plant; or
2. for any trees, shrubs, plants or lawns grown for **business** purposes.

These payments are in addition to the limit of insurance applying to COVERAGE A.

## TREE DEBRIS REMOVAL

**We** shall pay up to \$500 for any one loss for reasonable necessary expenses **you** incur for removing trees, limbs and branches at the **residence premises** which are within 250 feet of a building covered by this policy if:

1. caused by any peril **we** insure against under COVERAGE A provided such peril is not listed under the additional coverage TREES, SHRUBS, PLANTS AND LAWNS; and
2. this coverage is not provided elsewhere in this policy.

The limit of \$500 for any one loss applies, regardless of the number of fallen trees, limbs and branches.

## COLLAPSE

**We** cover direct physical loss to covered property provided the loss involves collapse of a building or part of a building and such collapse:

1. is caused by any of the following:
  - a. hidden decay, hidden insect damage or hidden vermin damage;
  - b. weight of people, contents, animals, equipment and/or furniture;
  - c. weight of rain, ice, sleet or snow on a roof; or
  - d. a peril **we** insure against under COVERAGE C.
2. occurs during construction, reconstruction, renovation or remodeling and is caused by defective methods used in construction, reconstruction, renovation or remodeling.

Collapse does not include settling, cracking, shrinkage, bulging or expansion.

Under 1.a., 1.b., 1.c. and 2. above, coverage does not apply to loss to awnings, fences, pavements, patios, swimming pools, underground pipes, flues, drains, cesspools, septic tanks, foundations, retaining walls, bulkheads, piers, wharves or docks unless damage is caused directly by collapse of a building. This is not an additional amount of insurance.

## LOSS ASSESSMENT

**We** shall pay up to \$2,500 for **your** share of any loss assessment charged against **you** as the owner or tenant of the **residence premises** by an association or corporation of property owners if the assessment is made as a result of accidental direct physical loss caused by a peril **we** insure against to property owned collectively by all members of the association or corporation. Coverage is included for loss occurring during the policy term if the assessment is charged against **you** after the policy term.

**We** shall not pay if the loss is caused by earthquake or land shock waves or tremors which occur before, during or after a volcanic eruption or mine subsidence. **We** shall not pay for any loss assessments charged by a governmental body.

The most that **we** shall pay for any one loss is \$2,500 regardless of the number of assessments.

## GLASS OR SAFETY GLAZING MATERIAL

**We** cover:

1. the breakage of glass or safety glazing materials which are part of a covered building including storm doors and storm windows.

2. damage to covered property caused by glass or safety glazing material which is part of a covered building including storm doors and storm windows.
3. the breakage of glass which is part of the cab of a covered **farm implement**.

This coverage does not include:

1. loss to the **insured premises** if the building has been vacant for more than 30 consecutive days immediately preceding the date of loss. A building under construction or undergoing reconstruction or remodeling is not considered vacant.
2. loss to any greenhouse or similar building or structure.

Loss because of damage to glass will be based on replacement with safety glazing materials when required by ordinance or law.

This is not an additional amount of insurance.

## REKEYING OF LOCKS

**We** shall pay reasonable necessary expenses **you** incur to rekey locks on exterior doors of the dwelling located at the **residence premises** provided the keys to such locks are a part of a theft loss covered by this policy. No deductible applies to this coverage.

## POWER INTERRUPTION

**We** cover accidental direct physical loss caused directly or indirectly by a change of temperature which results from a power interruption that takes place at the **residence premises**. The power interruption must be caused by a peril **we** insure against occurring at the **residence premises**. This is not an additional amount of insurance.

## REFRIGERATED PRODUCTS

**We** shall pay for damage to the contents of a freezer or refrigerator located at the **residence premises** provided the damage is the direct result of a power failure away from the **residence premises**, or an electrical or mechanical failure of the refrigeration system. Power, electrical or mechanical failure does not include:

1. removing a plug from an electrical outlet; or
2. turning off an electrical switch unless caused by a peril **we** insure against.

If any **insured** is aware of the power, electrical or mechanical failure, all reasonable action to protect the covered property from further damage must be taken or this coverage shall be void.

**We** shall pay no more in any one loss than the limit of insurance shown in the Declarations for this coverage regardless of the number of freezers or refrigerators involved in the loss. This is not an additional amount of insurance.

## ARSON REWARD

**We** shall pay for information which leads to a conviction for arson in connection with a fire loss to covered property insured by this policy. The most **we** will pay is \$1,000 regardless of the number of persons who provide information. This payment shall be in addition to the amount of insurance applying to the covered property. No deductible applies to this coverage.

## HEATING FUEL DAMAGE

**We** shall pay for loss to covered property at the **insured premises** caused by or resulting from:

1. accidental discharge or overflow of heating fuel from **your** heating system, including **your** heating fuel storage tank;
2. delivery of heating fuel into a wrong receptacle at the **insured premises**; or
3. delivery of one fuel for another at the **insured premises**.

This is not an additional amount of insurance.

## NEW CONSTRUCTION OF FARM BUILDING(S)

**We** cover accidental direct physical loss to new **farm** building(s) under construction which is caused by a peril **we** insure against under COVERAGE E provided:

1. the building(s) will not be temporary;
2. **you** notify **us** within 30 days from the beginning of the construction; and
3. the new building(s) are constructed on an **insured premises**.

Coverage includes building materials and supplies on or adjacent to the **insured premises** intended for use in

the construction of the new **farm** buildings. This coverage will end 30 days from the date construction was started or on the expiration date of the policy, whichever comes first. **We** shall not cover any **farm** building(s) under this additional coverage which is specifically insured elsewhere by this or any other insurance.

The most **we** shall pay for all damages in any one loss is \$100,000. This is an additional amount of insurance.

## TRANSPORTATION COVERAGE

**We** cover:

1. loss or damage to **farm** personal property resulting from the accidental collision or overturn of the **motor vehicle**, trailer or **farm implement** in or upon which it is being transported.
2. loss to **livestock** because of death or injury resulting from loading or unloading of such **livestock**.

**We** do not cover:

1. property in the possession of a common carrier; or
2. damage resulting from shifting of a load.

For the purposes of this coverage collision does not include:

1. contact with any portion of the roadbed, curbing, rails or ties of a railroad; or
2. contact with any stationary object while backing for loading or unloading purposes; or
3. coupling or uncoupling of trucks and trailers.

Payments under this coverage are subject to the special limits shown under COVERAGE F - FARM PERSONAL PROPERTY SPECIAL LIMITS OF INSURANCE - BLANKET COVERAGE. This is not an additional amount of insurance.

## POWER AND LIGHT POLE COVERAGE

**We** shall pay for accidental direct physical loss caused by a peril **we** insure against under COVERAGE A to private power and light poles located on an **insured premises**. Coverage includes attached switch boxes, fuse boxes and outside wiring which is not otherwise covered. **We** shall pay no more than the limit of insurance shown in the Declarations for this coverage

for all loss or damage in any one loss. This is an additional amount of insurance.

## ADDITIONS AND ALTERATIONS COVERAGE

If **you** are a tenant at the **residence premises**, **we** shall pay up to 10% of the COVERAGE C limit of insurance for accidental direct physical loss caused by a peril **we** insure against under COVERAGE C to building additions, alterations, installations and fixtures made at **your** expense in that part of the **residence premises you** occupy but do not own. **Our** payment shall be made to **you**. This is an additional amount of insurance.

## ROAD TROUBLE SERVICE - FARM IMPLEMENTS

**We** shall reimburse **you** for necessary and reasonable expenses incurred up to the limit of insurance shown in the Declarations for this coverage in any one emergency:

1. for towing **your farm implement** to the nearest safe location; and
2. for the cost of labor performed on **your farm implement** at the site of the emergency

if such **farm implement** becomes disabled while on a public roadway. **You** must provide receipts for expenses incurred. **Our** total reimbursement in any one emergency shall not exceed the limit of insurance shown in the Declarations for this coverage. No deductible applies to this coverage.

## FIRE EXTINGUISHER RECHARGE

**We** shall pay for recharging of a fire extinguisher(s) owned by an **insured** provided such fire extinguisher(s) was discharged to extinguish or control a fire.

The most **we** shall pay to recharge any one fire extinguisher is \$75. In no event shall **we** pay more than \$300 for any one loss. No deductible applies to this coverage.

## CLEANUP AND REMOVAL OF POLLUTANTS

**We** shall pay **your** expenses to extract **pollutants** from land or water at an **insured premises** provided the discharge, release, escape, seepage, migration or dispersal of such **pollutants** occurs during the policy term and is directly caused by a peril **we** insure against under COVERAGE E and COVERAGE F.

**Your** expenses must be reported to **us** within 180 days of the direct loss. **Our** payment for loss under this coverage for all **insured premises** shall not exceed \$10,000 in the aggregate for all such expenses incurred during each separate (12) month period. This limit is an additional amount of insurance.

This coverage does not apply to any expense arising out of any request, demand or order that any **insured** or other person or entity test for, monitor or assess the effect of **pollutants** or to any claim or **suit** by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

## NEWLY ACQUIRED FARM PERSONAL PROPERTY

If "Farm Personal Property" is shown in the Declarations, the coverage afforded to **your farm** personal property also applies to **farm** personal property **you** acquire after the inception date of the current policy term. Such property must be used in **your farming** operation for which **you** have paid any required additional premiums. This coverage shall begin the day **you** acquire the property and shall end on the earliest of the following:

1. 30 days after acquisition of the property;
2. the date **you** report the newly acquired property to **us** or **your** agency; or
3. expiration of the current policy term.

**We** shall pay no more than \$100,000 for loss of or damage to newly acquired **farm** personal property in any one loss. This is an additional amount of insurance.

## FARM RECORDS - COST OF RESEARCH

**We** shall pay **your** expenses to research, replace or restore data lost when **your farm** records are lost or damaged by a peril **we** insure against under COVERAGE F. This coverage applies regardless of the media on which the data existed but does not apply to any records for which a duplicate exists. **We** shall also pay expenses to replace prerecorded computer programs which are available in the retail market.

**We** shall pay no more than \$2,500 for all expenses in any one loss. This is an additional amount of insurance.

**CHANGE IN LOCATION - MOBILE HOME**

If, during the term of this policy, **you** move the mobile home described in the Declarations to a new location, **we** will cover the mobile home for accidental direct physical loss:

1. caused by a peril **we** insure against under COVERAGE A;

2. caused by collision with another object or upset while being transported by a licensed carrier anywhere within the continental United States; or
3. at any new location within the state, provided **you** give **us** notice within 30 days after the move.

This is not an additional amount of insurance.

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**DEDUCTIBLE**

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**We** shall not pay any loss until the amount of covered loss exceeds any applicable deductible whether shown in the Declarations, this policy or any attached form. **We** shall then pay the amount of loss in excess of such deductible not to exceed the applicable limit of insurance. If more than one coverage or deductible applies to the same covered loss, payment will be made under the coverage or deductible that pays **you** the most.

If damage resulting from a loss is covered by both this policy and an attached Inland Marine form, only one

deductible shall apply. If the deductibles are unequal, the largest deductible shall apply to the entire loss. However, if the Earthquake Coverage form is attached to this policy, the deductible shown in that form shall apply to any loss covered by that form and shall be independent of and in addition to any other deductible.

A deductible applies to all coverages unless shown otherwise.

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**PROPERTY PROTECTION CONDITIONS**

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**INSURABLE INTEREST**

Subject to the applicable limit of insurance, **we** shall not pay more than the insurable interest the **insured** has in the covered property at the time of loss.

**HOW LOSSES ARE SETTLED**

1. Unless the provisions of 2. or 3. below apply, **we** shall pay the **actual cash value** of the damaged covered property at the time of loss. In no event shall **we** pay more than the smallest of either:
  - a. the limit of insurance applying to the damaged covered property; or
  - b. the cost to repair or replace the damaged covered property with property of like kind and quality.
2. a. When replacement cost is shown in the Declarations as applicable to COVERAGE A, COVERAGE B or COVERAGE E, loss to damaged covered property shall be settled as follows:
  - (1) If at the time of loss, the limit of insurance applying to the damaged covered property is 80% or more of the full replacement cost of

that covered property subject to the deductible provision, **we** shall pay the full cost to repair or replace the damaged part of such covered property. No deduction shall be made for **depreciation**. In no event shall **we** pay more than the smallest of:

- (a) the limit of insurance applying to the damaged covered property;
  - (b) the cost to replace the damaged covered property with equivalent construction for equivalent use at the **insured premises**; or
  - (c) the amount actually spent to repair or replace the damaged covered property.
- (2) (a) If at the time of loss, the limit of insurance applying to the damaged covered property is less than 80% of the full replacement cost of that covered property, subject to the deductible provision, **we** shall pay the greater of either:
- 1) the **actual cash value** of the damaged covered property; or

- 2) the cost to repair or replace the covered property multiplied by the ratio of the limit of insurance applying to the damaged covered property to 80% of its full replacement cost. No deduction shall be made for **depreciation**.

(b) In no event shall **we** pay more than the smallest of:

- 1) the limit of insurance applying to the damaged covered property;
- 2) the cost to replace the damaged covered property with equivalent construction for equivalent use at the **insured premises**; or
- 3) the amount actually spent to repair or replace the damaged covered property.

(3) The replacement cost provisions of 2.a.(1) and 2.a.(2) above shall not apply in any event to:

- (a) antennas, carpeting, awnings, domestic appliances and outdoor equipment, whether or not attached to buildings;
- (b) structures covered under COVERAGE B, paragraph 1.b.; or
- (c) structures that are not buildings.

- b. If **you** do not repair or replace the damaged covered property, **we** shall pay the **actual cash value** of the property at the time of loss.
- c. Full replacement cost does not include the cost of excavations, underground pipes, wiring and drains, foundations or other supports below the surface of the lowest basement floor. If there is no basement, it does not include the cost of those supports below the surface of the ground and inside the foundation walls.
- d. If the full cost to repair or replace the damaged covered property is more than \$1000 or more than 5% of the limit of insurance applying to such covered property, **we** shall not pay more than the **actual cash value** until actual repair or replacement has been completed.
- e. **You** may disregard the provisions of 2.a.(1) and 2.a.(2) above and make an **actual cash value**

claim for loss or damage to property covered under COVERAGE A, COVERAGE B and COVERAGE E. If **you** do, **you** may within 180 days after the loss make a further claim under the provisions of 2.a. above.

- f. **We** may make a cash settlement and take all or part of the damaged covered property at its appraised or agreed on value, or repair or replace the damaged property with property of like kind and quality. **We** must give **you** notice of **our** intention within 30 days after **we** receive **your** proof of loss.

3. a. When replacement cost is shown in the Declarations as applicable to COVERAGE C, **we** shall pay the full cost to repair or replace:

- (1) damaged covered property described under COVERAGE C;
- (2) structures which are not buildings which are located at the **residence premises**;
- (3) unless described under COVERAGE A, outdoor radio and television antennas and aerials, carpeting, awnings, domestic appliances and outdoor equipment, whether or not attached to a building;
- (4) damaged personal property separately described and specifically insured by this policy, except:
  - (a) **watercraft**, including their equipment, accessories and parts;
  - (b) outboard motors; and
  - (c) **recreational vehicles**, including their equipment, accessories and parts.

b. However, **we** shall not pay the full cost to repair or replace:

- (1) antiques, fine arts, paintings and similar property which is rare or an antique and cannot be replaced;
- (2) momentos, souvenirs, collectors items, trading cards and similar property, the age or history of which contributes to its value;
- (3) any item which at the time of loss is:
  - (a) broken or awaiting repair;

(b) no longer capable of or will no longer be used to perform the function for which it was designed; or

(c) obsolete or useless to the **insured**.

c. Subject to any applicable special limits of insurance provisions shown in COVERAGE C, **we** shall pay no more than the smallest of:

(1) the full cost to replace the article at the time of loss; or

(2) the full cost to repair the article.

In no event shall **we** pay more than the limit of insurance shown in the Declarations for COVERAGE C for all loss and damage in any one loss.

- d. If the full cost to replace all damaged covered property exceeds \$500, **we** shall pay no more than the **actual cash value** of such property until actual repair or replacement of such property is completed.
- e. An **insured** may choose to disregard this provision, 3., when making a claim under this policy and accept an **actual cash value** settlement. If so, that **insured** shall have the right to make a further claim under the terms of this policy within 180 days after the loss.
- f. With regard to only this provision, 3., "full cost to repair or replace" shall mean the cost, at the time of loss, of a new article identical to the damaged or stolen article, or an article of comparable quality if an identical article is no longer available.

## APPRAISAL

If **you** and **we** fail to agree on the **actual cash value** or amount of loss covered by this policy, either party may make written demand for an appraisal. Each party shall select an appraiser and notify the other of the appraiser's identity within 20 days after the demand is received. The appraisers shall select a competent and impartial umpire. If the appraisers are unable to agree upon an umpire within 15 days, **you** or **we** can ask a judge of a court of record in the state where the **insured premises** is located to select an umpire.

The appraisers shall then appraise the loss, stating separately the **actual cash value** and loss to each item. If the appraisers submit a written report of an agreement

to **us**, the amount agreed upon shall be the **actual cash value** or amount of loss. If they cannot agree, they shall submit their differences to the umpire. A written award by two shall determine the **actual cash value** or amount of loss.

Each party shall pay the appraiser it chooses, and equally pay the umpire and all other expenses of the appraisal.

## ABANDONED PROPERTY

**We** are not obliged to accept property abandoned by any **insured**.

## LOSS TO A PAIR OR SET

1. **We** may repair or replace any part of the pair or set to restore it to its value before the loss, or **we** may pay the difference between the **actual cash value** of the property before and after the loss.
2. In case of loss to a part of a series of interior or exterior panels of a mobile home, **we** shall pay:
  - a. the reasonable cost to repair or replace the damaged part to match the remaining parts as closely as possible; or
  - b. the reasonable cost to provide an acceptable decorative effect or utilization as may be warranted by circumstances.

However, **we** shall not guarantee that replacement panels will be available.

In the event of damages to a part, **we** shall not be liable to replace or repair the entire series of panels, nor be liable for their value.

## OUR PAYMENT OF LOSS

**We** shall adjust any loss with **you**, and pay **you** unless another payee is named in the policy. **We** shall pay within 60 days after **we** receive **your** proof of loss and all other requested documents and the amount of loss is finally determined by an agreement between **you** and **us**, a court judgment or an appraisal award.

## SUIT AGAINST US

**We** may not be sued unless there is full compliance with all the terms of this policy. **Suit** must be brought within one year after the loss or damage occurs.

**NO BENEFIT TO BAILEE**

This insurance shall not, in any way, benefit any person or organization who may be caring for or handling property for a fee.

**OTHER INSURANCE**

If both this and other insurance apply to a loss, **we** shall pay **our** share. **Our** share shall be the ratio of this insurance to the total amount of all insurance which applies.

**ADJUSTED VALUE PROVISION**

When "Adjusted Value Provision" is shown in the Declarations, the limit of insurance applicable to COVERAGE A and COVERAGE E shall be adjusted at the end of each policy term by the percentage change in construction costs during the policy term in the area in which the building or structure is located.

Each Renewal Declarations shall show the actual percentage used to compute the revised limits of insurance. The limit of insurance for COVERAGE A and COVERAGE E shall be rounded to the nearest \$100 for a policy period.

**MORTGAGE CLAUSE**

This provision applies to only the mortgagee named in the Declarations. It does not affect **your** rights or duties under this policy.

The word mortgagee includes a trustee under a deed of trust, a contract seller under a land contract or a lienholder.

Loss covered by the policy, if any, shall be payable to the mortgagee, as their interest may appear, under all present or future mortgages upon the property described in the Declarations of this policy in which the

mortgagee may have an interest. If more than one mortgagee is named in the Declarations, payment shall be made in order of precedence of the mortgages.

If **we** deny **your** claim, such denial shall not apply to a valid claim of the mortgagee, provided the mortgagee:

1. notifies **us** of any change of ownership or occupancy or substantial change in exposure which has come to the knowledge of the mortgagee;
2. pays any premium due under this policy that **you** or the mortgagor has neglected to pay; and
3. submits to **us**, within 60 days after receiving notice from **us** of **your** failure to do so, a proof of loss signed and sworn to by the mortgagee.

Whenever **we** pay the mortgagee any sum for loss under this policy and deny payment to **you** for such loss:

1. to the extent of such payment, **we** are legally subrogated to all rights of the mortgagee under the terms of the mortgage on the covered property; or
2. at **our** option, **we** may pay to the mortgagee the whole principal due, with interest accrued, and shall then receive full assignment and transfer of the mortgage and of all collateral.

Subrogation shall not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

**We** may cancel or nonrenew this policy at any time as provided by its terms. **We** shall notify the mortgagee at least 10 days prior to the effective date of the cancellation or nonrenewal. **We** may also cancel this agreement by providing 10 days notice to the mortgagee.

All policy terms and conditions apply to the mortgagee.

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**SECTION II - PERSONAL LIABILITY PROTECTION**


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**COVERAGES**


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**COVERAGE G - PERSONAL LIABILITY**

1. **We** shall pay all sums any **insured** becomes legally obligated to pay as damages because of or arising

out of **bodily injury** or **property damage** caused by an **occurrence** to which this coverage applies. However, with respect to any **aircraft, farm implement, motor vehicle, recreational vehicle** or **watercraft**:

a. **we** shall pay damages because of or arising out of the ownership, maintenance, use, loading or unloading of only:

- (1) a **motor vehicle** stored on an **insured premises** which has been rendered inoperable by complete detachment of parts or by mechanical breakdown;
- (2) **motor vehicles** not subject to registration by a state regulatory agency which are used primarily for servicing and maintaining an **insured premises**;
- (3) a conveyance designed primarily to provide mobility to the handicapped, provided it is not subject to registration by a state regulatory agency;
- (4) electrically powered vehicles designed for and used as toys;
- (5) a **watercraft**, camper, home or utility trailer when neither being towed by nor carried on a **motor vehicle**;
- (6) **recreational vehicles** owned by any **insured** while on an **insured premises**;
- (7) **recreational vehicles** that are motorized golf carts;
- (8) a **watercraft** owned by any **insured**:
  - (a) powered by inboard or inboard-outdrive motor power of 175 horsepower or less;
  - (b) powered by one or more outboard motors with:
    - 1) total combined horsepower of 120 horsepower or less; and
    - 2) total combined horsepower not in excess of that specified by the **watercraft** manufacturer; and
  - (c) that is a sailboat less than 26 feet in length;
- (9) a model **aircraft** neither designed nor used for transporting persons or cargo; and
- (10) a **farm implement** when neither being towed by nor carried on a **motor vehicle**.

b. **we** shall pay damages because of or arising out of the maintenance, use, loading or unloading of only:

- (1) a **motor vehicle** which is not owned nor operated by nor rented to nor loaned to any **insured**;
  - (2) a **farm implement** or **recreational vehicle** which is not owned by any **insured**; and
  - (3) a **watercraft** not owned by nor available for regular use by any **insured** provided use of the **watercraft** is with a reasonable belief of permission to do so.
2. **We** shall pay all sums any **insured** becomes legally obligated to pay as damages because of or arising out of **advertising injury** or **personal injury** caused by an **incident** to which this coverage applies.

**We** shall settle or defend, as **we** consider appropriate, any claim or **suit** for damages covered by this policy. **We** shall do this at **our** expense, using attorneys of **our** choice. This agreement to settle or defend claims or **suits** ends when **we** have paid the limit of **our** liability.

## COVERAGE H - MEDICAL PAYMENTS TO OTHERS

1. A person who sustains **bodily injury** is entitled to this coverage when that person is:
  - a. on an **insured premises** with the permission of an **insured**;
  - b. elsewhere, if the **bodily injury**:
    - (1) arises out of a condition on the **insured premises** or the adjoining ways;
    - (2) is caused by the activities of an **insured**, a **residence employee** or a **farm employee** in the course of employment by an **insured**;
    - (3) is caused by an animal owned by or in the care of an **insured**; or
    - (4) is sustained by a **residence employee** and arising out of and in the course of employment by an **insured**; or
  - c. injured because of the operation or use of an **aircraft**, **farm implement**, **motor vehicle**, **recreational vehicle** or **watercraft** covered by COVERAGE G of this policy.

2. a. **We** shall pay the reasonable expenses incurred for necessary:
- (1) medical, surgical, X-ray and dental services;
  - (2) prosthetic devices, eyeglasses, hearing aids, drugs and medicines; and
  - (3) ambulance, hospital, licensed nursing and funeral services.
- b. These expenses must be incurred within three years from the date of the **occurrence** causing **bodily injury** covered by this policy. The **bodily injury** must be discovered, treated and reported to **us** within one year of the **occurrence**.
- c. **We** may pay the injured person or the party that renders the medical services. Payment under this coverage is not an admission of liability by **us** or an **insured**.

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## EXCLUSIONS

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### COVERAGE G - PERSONAL LIABILITY COVERAGE H - MEDICAL PAYMENTS TO OTHERS

These coverages do not apply:

1. to **bodily injury, property damage** or **personal injury** arising out of any premises owned, rented or controlled by any **insured** which is not an **insured premises**. This exclusion does not apply to **bodily injury** to a **residence employee** arising out of and in the course of employment by any **insured** at such premises.
2. to **bodily injury** or **personal injury** to a fellow employee of an **insured** sustained in the course of employment.
3. a. to **bodily injury**:
  - (1) to a **farm** employee of the **insured** arising out of and in the course of employment by the **insured**; or
  - (2) to the spouse, child, parent, brother or sister of that employee as a consequence of 3.a.(1) immediately above.

b. This exclusion applies:

  - (1) whether the **insured** may be liable as an employer or in any other capacity; and
  - (2) to any obligation to share damage with or repay someone else who must pay damages because of the **bodily injury**.
4. to **bodily injury** or **personal injury** because of or arising out of corporal punishment administered by or at the direction of an **insured** if that **insured** is a member of the faculty or teaching staff of any school or college.
5. to **bodily injury** or **personal injury** because of or arising out of a communicable disease transmitted by any **insured**.
6. to **bodily injury** or **property damage** because of or arising out of any **insured's** preparation for, practice or participation in any prearranged racing, speed, strength or demolition contest involving any **aircraft, farm implement, motor vehicle, recreational vehicle** or **watercraft**. This exclusion does not apply to a **watercraft** that is a sailboat less than 26 feet in length.
7. to **bodily injury** or **property damage** because of or arising out of the ownership, maintenance, use, loading or unloading of any water jet propelled **watercraft** of any kind less than 16 feet in length. This exclusion does not apply with regard to any water jet propelled **watercraft** less than 16 feet in length and not owned by any **insured**.
8. to **bodily injury** or **property damage** because of or arising out of the ownership, maintenance, use, loading or unloading of any **aircraft, farm implement, motor vehicle, recreational vehicle** or **watercraft**. This exclusion does not apply:
  - a. to **aircraft, farm implements, motor vehicles, recreational vehicles** or **watercraft** described under paragraphs 1.a. and 1.b. of COVERAGE G; or
  - b. to **bodily injury** to a **residence employee** arising out of or in the course of employment by an **insured**.

9. to parental liability for **bodily injury** or **property damage**, whether or not imposed by law, because of or arising out of actions of a child or minor for use of an **aircraft, farm implement, motor vehicle, recreational vehicle** or **watercraft** if such use is excluded or otherwise limited by this policy.

10. to **bodily injury** or **property damage** because of or arising out of:

- a. the entrustment to any person by any **insured**; or
- b. the supervision of any person by any **insured**

with regard to the ownership, maintenance, use, loading or unloading of an **aircraft, farm implement, motor vehicle, recreational vehicle** or **watercraft**.

This exclusion does not apply:

- a. to **aircraft, farm implements, recreational vehicles** and **watercraft** that are covered by COVERAGE G; or
- b. to **motor vehicles** that are covered by COVERAGE G. This exception does not apply to **motor vehicles** that are not owned by any **insured**.

11. to **bodily injury** or **property damage** or **personal injury** because of or arising out of the rendering of or failure to render professional services of any kind.

12. to **bodily injury, property damage** or **personal injury** because of or arising out of any **business** or **farming** operation not shown in the Declarations owned or financially controlled by an **insured** or by a partnership or joint venture of which an **insured** is a partner or member. This exclusion does not apply to activities of an **insured** ordinarily incident to non-business pursuits or any **farming** operation shown in the Declarations.

13. to **bodily injury** or **property damage** reasonably expected or intended by the **insured**. This exclusion applies even if the **bodily injury** or **property damage** is of a different kind or degree, or is sustained by a different person or property, than that reasonably expected or intended.

14. to **bodily injury** or **property damage** caused by war, including any undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or

seizure or use for a military purpose, and including any consequence of any of these.

15. a. to **bodily injury, property damage** or **personal injury** arising out of the actual, alleged or threatened discharge, dispersal, release, escape, seepage or migration of **pollutants**:

(1) at or from any **insured premises** or any other premises, site or location which is or was at anytime owned or occupied by, or rented or loaned to any **insured**. However, this exclusion, 15.a.(1), does not apply to:

(a) **bodily injury** which is sustained within a building at such premises, site or location and which is caused by fumes, soot, vapor or smoke from equipment used to heat a building at such premises, site or location;

(b) **bodily injury** or **property damage** for which **you** may be held liable, if **you** are a contractor and the owner or lessee of such premises, site or location has been added to **your** policy as an additional **insured** with respect to **your** ongoing operations performed for that additional **insured** at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any **insured**, other than that individual **insured**; or

(c) **bodily injury** or **property damage** arising out of heat, smoke or fumes from a **hostile fire**.

(2) at or from any **insured premises** or any other premises, site or location which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of waste.

(3) which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any **insured** or any person or organization for whom **you** may be legally responsible.

(4) at or from any **insured premises** or any other premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on any **insured's** behalf are performing operations if the **pollutants** are brought on or to the **insured premises** or any other premises,

site, or location in connection with such operations by such **insured**, contractor or subcontractor. However, this exclusion, 15.a.(4), does not apply to:

(a) **bodily injury** or **property damage** arising out of the escape of lubricants, fuels or other operating fluids which are needed to perform the normal hydraulic, mechanical or electrical functions necessary for the operation of **farm implements**, or their parts, if such lubricants, fuels or other operating fluids escape from a vehicle part designed to receive, hold or store them. This exception does not apply if the **bodily injury** or **property damage** arises out of the intentional discharge, dispersal or release of the lubricants, fuels or other operating fluids, or if such lubricants, fuels or other operating fluids are brought on or to any **insured premises** or any other premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such **insured**, contractor or subcontractor;

(b) **bodily injury** or **property damage** which is sustained within a building at such premises, site or location and which is caused by the release of vapors, fumes or gasses from materials brought into that building in connection with operations being performed by **you** or on **your** behalf by a contractor or subcontractor; or

(c) **bodily injury** or **property damage** arising out of heat, smoke or fumes from a **hostile fire**.

(5) at or from any **insured premises** or any other premises, site or location on which any **insured** or any contractors or subcontractors working directly or indirectly on the **insured's** behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to, or assess the effects of **pollutants**.

b. to any loss, cost or expense arising out of any:

(1) request, demand, order or statutory or regulatory requirement that any **insured** or others test for, monitor, clean up, remove,

contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or

(2) claim or **suit** by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

However, this exclusion 15.b., does not apply to liability for damages because of **property damage** that the **insured** would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or **suit** by or on behalf of a governmental authority.

16. to any alleged or actual **bodily injury** or **personal injury** if directly or indirectly related to the past, present or prospective employment of any person or persons by any **insured**.

17. to expenses incurred by **you** or others for loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of **your farm** product if such product is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it. This exclusion does not apply to the additional coverage **FARM PRODUCTS RECALL**.

## COVERAGE G - PERSONAL LIABILITY

This coverage does not apply:

1. to liability assumed under:

a. any oral contract or agreement; or

b. any contract or agreement:

(1) in connection with any **business** of an **insured**; or

(2) entered into after the event causing the loss.

2. to liability for **your** share of any loss assessment charged against all members of an association, corporation or community of property owners. This exclusion does not apply to the additional coverage **LOSS ASSESSMENT**.

3. to liability for any property stolen or converted by the **insured**.

4. to **bodily injury** or **property damage** for any **insured** under this policy who is also an insured under a nuclear energy liability policy or would be an insured except for the exhaustion of the limits of liability. A nuclear energy liability policy is a policy issued by American Nuclear Insurers, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors.
5. to **bodily injury** to any person if an **insured** has or is required to have a policy providing workers compensation, nonoccupational disability or occupational disease benefits covering the **bodily injury**.
6. to **bodily injury, advertising injury** or **personal injury** to any **insured**. This exclusion does not apply with regard to only **bodily injury** sustained by any **insured** because of or arising out of the maintenance or use of only a **watercraft** covered by COVERAGE G.
7. to **advertising injury** or **personal injury**:
  - a. in connection with any **business**, occupation, trade or profession; or
  - b. with respect to any publication or utterance made knowing it to be false.
8. to **property damage** to property owned by any **insured**.
9. to **property damage** to property:
  - a. occupied by any **insured**;
  - b. used by any **insured**;
  - c. rented or loaned to any **insured**;
  - d. being transported by any **insured**; or
  - e. in the care, custody or control of any **insured**.

This exclusion does not apply to **property damage** to such property caused by fire, smoke or explosion.
10. to **property damage** to:
  - a. products manufactured, sold, handled or distributed by any **insured** when the **property damage** arises out of such products; or
  - b. work performed by or for any **insured** when the **property damage** arises out of such work.
11. to **property damage** resulting from any substance released or discharged from **aircraft**.
12. to **property damage** resulting from any:
  - a. error in processing seed;
  - b. failure of seed to germinate;
  - c. erroneous delivery of seed; or
  - d. any warranties whether written, expressed or implied.
13. to **advertising injury** or **personal injury**:
  - a. arising out of written or oral publication of material whose first publication took place before the beginning of the policy period;
  - b. arising out of the willful violation of a penal ordinance or statute committed by, or with the consent of, the **insured**; or
  - c. for which the **insured** has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the **insured** would have in the absence of the contract or agreement.
14. to **advertising injury** arising out of:
  - a. breach of contract, other than misappropriation of advertising ideas under an implied contract;
  - b. the failure of products, goods or services to conform with advertised quality or performance; or
  - c. the wrong quotation or description of the price of products, goods or services; or
  - d. an offense committed by an **insured** in any **business**.
15. to **property damage** or **personal injury** because of or arising out of the pollination or cross-pollination of any crop of any type.
16. to **property damage** or **personal injury** because of or arising out of the transmission of a communicable disease by any of **your livestock**, animals or poultry to any **livestock**, animals or poultry owned by others.

## COVERAGE H - MEDICAL PAYMENTS TO OTHERS

This coverage does not apply:

1. to **bodily injury** to any person who is entitled to benefits which are provided or required to be provided under any workers compensation law, non-occupational disability law or occupational disease law.
2. to **bodily injury** from any:
  - a. nuclear reaction;
  - b. radiation;
  - c. radioactive contamination; or
  - d. consequence of a., b. or c. above.
3. to **bodily injury** to any **insured** or any other person who resides on any part of any **insured premises**. This exclusion does not apply to:
  - a. a **residence employee**; or

- b. any **insured** because of or arising out of:
  - (1) the operation or use of a **recreational vehicle** that is a motorized golf cart; or
  - (2) the maintenance or use of only a **watercraft** covered by COVERAGE G.
4. to **bodily injury** to any tenant or other person who regularly resides on an **insured premises** or to **bodily injury** to an employee of either if the employee's injury arises out of and in the course of employment by such tenant or other person.
5. to **bodily injury** to:
  - a. any person who rents a portion of an **insured premises** but who does not regularly reside at an **insured premises**; and
  - b. any employee of such person, if the injury arises out of and in the course of employment by the person

if the injury to either occurs on the rented portion of an **insured premises**.

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## COVERAGE EXTENSION

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**SECTION II - PERSONAL LIABILITY PROTECTION COVERAGES** is extended to provide the following coverage:

### NONOWNERSHIP LIABILITY

1. We shall pay damages for **bodily injury** or **property damage** for which **you** become legally responsible because of or arising out of the use of a **motor vehicle** or **farm implement** which **you** do not own or hire, while used in **your farming** operation.
2. This coverage extension applies to:
  - a. **you**; and

- b. **your** officers and partners, if **you** are a partnership or a corporation.

3. This coverage extension shall not apply:
  - a. to any **motor vehicle** or **farm implement you** own or hire;
  - b. to any **motor vehicle** or **farm implement you** operate, if **you** are an individual; or
  - c. to **your** officers or partners for any **motor vehicle** or **farm implement** they own.

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## ADDITIONAL COVERAGES

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In addition to **our** limit of liability, **we** shall also pay the following:

### DAMAGE TO PROPERTY OF OTHERS

We shall pay for **property damage** caused by any **insured** to property owned by others. We shall pay no

more than the full cost of repair or the replacement cost at the time of the loss. In no event shall **we** pay more than \$500 in any one **occurrence**. We shall not pay for **property damage**:

1. caused intentionally by any **insured** who has attained the age of 13.

2. to property owned by any **insured** nor owned by or rented to any tenant of an **insured** or any resident of any **insured's** household.
3. to property to the extent it is covered by SECTION I - PROPERTY PROTECTION of this policy.
4. arising out of:
  - a. any act or omission in connection with a premises (other than an **insured premises**) owned, rented or controlled by any **insured**;
  - b. a **business**;
  - c. ownership, maintenance or use of an **aircraft, farm implement, motor vehicle or watercraft**; or
  - d. theft or conversion of property by the **insured**.

### MISCELLANEOUS EXPENSES

**We** shall pay:

1. All costs **we** incur and all costs charged against any **insured** in the settlement of any claim or defense of any **suit**.
2. Interest on damages owed by **you** because of a judgment in a **suit we** defend and accruing:
  - a. after the judgment, and until **we** pay, offer or deposit in court, the amount for which **we** are liable under this policy; or
  - b. before the judgment, where owed by law, but only on that part of the judgment **we** pay.
3. Premiums on bonds required in any **suit we** defend. **We** will not pay the premium for any portion of a bond for an amount that is greater than **our** limit of liability. **We** have no obligation to apply for or furnish these bonds.
4. Loss of earnings up to \$100 a day, but not other income, when **we** ask **you** to help **us** investigate or defend any claim or **suit**.
5. Any other reasonable expenses incurred at **our** request.

### FIRST AID EXPENSES

**We** shall pay expenses for first aid to other persons at the time of the **occurrence**. **We** shall pay only

expenses which any **insured** incurs for treatment of **bodily injury** covered by this policy. **We** shall not pay for first aid to any **insured**.

### LOSS ASSESSMENT

**We** shall pay up to \$2,500 for **your** share of any loss assessment charged against **you** as an owner or tenant of the **residence premises** by an association or corporation of property owners if the assessment is made as a result of:

1. an **occurrence** or **incident** covered by SECTION II - PERSONAL LIABILITY PROTECTION of this policy; or
2. liability for an act of a director, trustee or officer in his or her capacity as such. The director, trustee or officer must:
  - a. be elected by the members of the association or corporation; and
  - b. serve without pay for performing his or her duties.

**We** shall not pay for any loss assessments charged by a governmental body.

The most **we** will pay is \$2,500 regardless of the number of assessments, for loss arising out of an **occurrence, incident** or a covered act of a director, officer or trustee. An act involving more than one director, officer or trustee shall be considered a single act.

### UPSET AND OVERSPRAY

**We** shall pay up to the limit of liability shown in the Declarations under "Upset and Overspray" for all **bodily injury** and **property damage** caused by immediate and abrupt:

1. upset, overturn or collision of **your farm implement** while transporting; or
2. **overspray** during **your** application or dispersal of

agricultural chemicals that are intended for and normally used in **your farming** operations. The operations must be in compliance with local, state and federal ordinances or laws.

All policy exclusions apply to this additional coverage except, paragraphs a.(1) and a.(4)(a) of exclusion 15. under EXCLUSIONS, COVERAGE G - PERSONAL

LIABILITY and COVERAGE H - MEDICAL PAYMENTS TO OTHERS. In addition, this additional coverage does not apply to **overspray** resulting from aerial application or dispersal of agricultural chemicals.

The limit of liability shown in the Declarations under "Upset and Overspray" is the most **we** shall pay for all **bodily injury** and **property damage**:

1. resulting from any one **occurrence**; and
2. during any one policy period regardless of the number of **occurrences**.

## FARM PRODUCTS RECALL

**We** shall pay **your** expenses for withdrawing **your farm** products from the market. Such withdrawal must be made necessary to avoid **bodily injury** caused solely by eating, drinking or otherwise using **your farm** products. Discovery, demand or evidence that any **farm** product must be withdrawn must arise during the policy term shown in the Declarations. **We** will pay up to the limit of liability shown in the Declarations for "**Farm Products Recall**".

This additional coverage does not apply to expenses incurred by **you** or others:

1. for the withdrawal of **your farm** products by reason of:
  - a. **your** breach of warranties of fitness, quality or quantity;
  - b. loss of customer faith or approval, including any costs incurred to regain them;
  - c. **your** caprice or whim;
  - d. failure of **your farm** products to accomplish their intended purpose; or

e. deterioration, decomposition or change in chemical structure, unless caused by **your** error or omission in the growing or making of **your farm** products.

2. to redistribute or replace **your** withdrawn **farm** products with like **farm** products or substitutes for them.
3. if **you** had prior knowledge of any pre-existing condition of **your farm** products' potential to become a cause of loss under this additional coverage.
4. for **your** withdrawn **farm** products.
5. for the disposal of **your** withdrawn **farm** products.
6. for the refund, reimbursement or adjustment of **your** withdrawn **farm** products.

**We** shall not pay any loss until the amount of covered loss exceeds the deductible shown in the Declarations for "**Farm Products Recall**". **We** shall then pay the amount of loss in excess of such deductible not to exceed the limit of liability shown in the Declarations for "**Farm Products Recall**".

In case a loss occurs under this additional coverage, this coverage is void unless **you**:

1. give **us** or **your** agency immediate notice upon discovery, demand or evidence that any of **your farm** products must be withdrawn; and
2. halt any further release, shipment, consignment or other method of distribution of **your** like **farm** products until it has been determined that all of **your farm** products are free from the defects that are the cause of a recall requirement.

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## LIMIT OF LIABILITY

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**We** shall pay damages up to the limit of liability shown in the Declarations as follows:

### COVERAGE G - PERSONAL LIABILITY

1. **We** shall pay damages for **bodily injury**, **property damage**, **advertising injury** and **personal injury** up to the limit of liability shown in the Declarations under "Personal Liability". That limit is the amount

of coverage and the most **we** shall pay for all damages because of or arising out of:

- a. all **bodily injury** and all **property damage** in any one **occurrence**; and
- b. all **advertising injury** and **personal injury** in any one **incident**.

In no event shall **we** pay more than the limit of liability for all damages because of or arising out of an **occurrence** and an **incident** which result from the same set of general circumstances.

2. The limit of liability is not increased because of the number of:
  - a. **insureds**;
  - b. persons injured;
  - c. claims made or **suits** brought; or
  - d. **insured premises** shown in the Declarations or premiums charged.

under "Medical Payments To Others". However, for **bodily injury** because of the operation or use of a **recreational vehicle** that is a motorized golf cart **we** shall pay no more than \$500. That limit is the amount of coverage and the most **we** shall pay for all medical expenses because of or arising out of **bodily injury** to any one person in any one **occurrence**.

2. This limit of liability is not increased because of the number of:
  - a. **insureds**;
  - b. persons injured;
  - c. claims made or **suits** brought; or
  - d. **insured premises** shown in the Declarations or premiums charged.

## COVERAGE H - MEDICAL PAYMENTS TO OTHERS

1. **We** shall pay medical expenses for **bodily injury** up to the limit of liability shown in the Declarations

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## PERSONAL LIABILITY PROTECTION CONDITIONS

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### SEVERABILITY

Except as to **our** limit of liability, the coverage provided by SECTION II - PERSONAL LIABILITY PROTECTION applies separately to each **insured** against whom claim is made or **suit** is brought.

### SUIT AGAINST US

**We** may not be sued unless there is full compliance with all the terms of this policy.

**We** may not be sued under COVERAGE E until the obligation of any **insured** to pay is finally determined either by:

1. judgment against that person after actual trial; or

2. written agreement of that person, the claimant and **us**.

No one shall have any right to make **us** a party to a **suit** to determine the liability of any **insured**.

### BANKRUPTCY

**We** are not relieved of any obligation under this policy because of the bankruptcy or insolvency of any **insured**.

### OTHER INSURANCE - PERSONAL LIABILITY COVERAGE

This insurance is excess over any other valid and collectible insurance. However, if the other insurance is specifically written as excess insurance over this policy, the limits of this policy apply first.

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## WHAT TO DO IN CASE OF LOSS

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### PROPERTY

If a covered loss occurs, the **insured** must:

1. give **us** or **your** agency immediate notice. In case of theft also notify the police and provide them with a complete inventory of stolen or damaged property.

In case of loss under CREDIT CARD, CHARGE PLATE, FUND TRANSFER CARD and CHECK FORGERY COVERAGE, also notify the issuer of the card or plate or the bank.

2. protect the property from further damage or loss, make necessary and reasonable temporary repairs and keep records of the cost.
3. make an inventory of all damaged and destroyed property. Show in detail quantities, costs, age, **actual cash value** and amount of loss claimed and attach to the inventory all available bills, receipts and related documents that substantiate the figures in the inventory.
4. send to **us**, within 60 days after the loss, a proof of loss signed and sworn to by the **insured**, including:
  - a. the time and cause of loss;
  - b. the interest of **insureds** and all others in the property;
  - c. **actual cash value** and amount of loss to the property;
  - d. all encumbrances on the property;
  - e. other policies covering the loss;
  - f. changes in the title, use, occupancy or possession of the property;
  - g. if required, any plans and specifications of any damaged building or fixtures; and
  - h. the inventory of all damaged or stolen property required by 3. above.
5. exhibit the damaged property to **us** or **our** representative as often as may be reasonably required.
6. submit to statements, examinations under oath, and video taped examinations under oath while not in the presence of any other **insured** and sign the transcripts of the statements and examinations.
7. provide **us** with records and documents **we** require and permit **us** to make copies.
8. produce receipts for any increased costs to maintain **your** standard of living while **you** reside elsewhere and records pertaining to any loss of rental income.
9. provide evidence or affidavit(s) supporting a claim under the CREDIT CARD, BANK FUND TRANSFER CARD, FORGERY and COUNTERFEIT MONEY coverage, stating the amount and cause of loss.

10. make available **residence employees, farm employees**, members of **your** household or others for examination under oath and video taped examinations under oath to the extent it is within **your** power to do so.

## PERSONAL LIABILITY PROTECTION

In the event of **bodily injury, property damage, advertising injury** or **personal injury**, the **insured** must:

1. notify **us** or **your** agency as soon as possible. The notice must give:
  - a. **your** name and policy number;
  - b. the time, place and circumstances of the **occurrence** or **incident**; and
  - c. the names and addresses of injured persons and witnesses;
2. promptly send **us** any legal papers received relating to any claim or **suit**;
3. cooperate with **us** and assist **us** in any matter relating to a claim or **suit**; and
4. if a loss covered under the additional coverage DAMAGE TO PROPERTY OF OTHERS occurs, send **us** sworn proof of loss within 60 days of the **occurrence**. **You** shall also exhibit the damaged property if within **your** control.
5. if a loss covered under the additional coverage **FARM PRODUCTS RECALL** occurs:
  - a. give **us** or **your** agency immediate notice upon discovery, demand or evidence that any of **your** farm products must be withdrawn; and
  - b. halt any further release, shipment, consignment or other method of distribution of **your** like **farm** products until it has been determined that all of **your farm** products are free from the defects that are the cause of a recall requirement.

An **insured** shall not, except at his or her own cost, voluntarily make any payment, assume any obligation or incur any expenses at the time of the **occurrence** or **incident**. Expenses covered by the additional coverage, **FIRST AID EXPENSES** may be incurred by an **insured**.

## MEDICAL PAYMENTS

When a claim under the MEDICAL PAYMENTS TO OTHERS coverage is involved, the injured person or someone acting on behalf of the injured person must:

1. give **us**, as soon as possible, written proof of claim under oath if required;

2. submit to physical examinations at **our** expense by doctors **we** select, as often as **we** may reasonably require; and
3. authorize **us** to obtain medical and other records.

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## GENERAL POLICY CONDITIONS

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### ASSIGNMENTS

Interest in this policy may not be transferred without **our** written consent. If **you** die, the policy shall cover:

1. any surviving member of **your** household who was covered under this policy at the time of **your** death, but only while a resident of the **insured premises**;
2. **your** legal representative while acting in that capacity; and
3. any person having proper custody of covered property until a legal representative is appointed.

### CONCEALMENT OR FRAUD

This entire policy is void if, whether before, during or after a loss, any **insured** has:

1. intentionally concealed or misrepresented any material fact or circumstance;
2. engaged in fraudulent conduct; or
3. made false statements

relating to this insurance.

### CHANGES

This policy and the Declarations include all the agreements between **you** and **us** or **your** agency relating to this insurance. No change or waiver may be effected in this policy except by endorsement issued by **us**. If a premium adjustment is necessary, **we** shall make the adjustment as of the effective date of the change.

**We** may adjust **your** premium during the policy term because of changes in the factors that were used to determine such premium. These factors include but are not limited to coverages, limits of liability and deductibles,

the protection class and other rating factors applicable to **your** property.

Premium adjustment shall be made at the time of such changes or when **we** become aware of the changes, if later.

If **we** make a change which broadens coverage under this policy without additional premium charge, that change shall apply to **your** insurance as of the date **we** implement the change in **your** state.

### INSPECTIONS

**We** may, but are not required to, inspect **your** property and operations. **Our** inspection or resulting advice or report does not warrant that **your** property or operations are safe or healthful or comply with any laws, rules or regulations.

### OUR RIGHT TO RECOVER PAYMENT

After making payment under this policy, **we** shall have the right to recover to the extent of **our** payment from anyone held responsible. This right shall not apply under SECTION I - PROPERTY PROTECTION if **you** have waived it in writing prior to loss. **You** shall do whatever is required to transfer this right to **us**. This condition does not apply under SECTION II - PERSONAL LIABILITY PROTECTION to COVERAGE H or to the additional coverage DAMAGE TO PROPERTY OF OTHERS.

### RECOVERIES

This condition applies if **we** pay for a loss and then lost or damaged property is recovered or payment is made by those responsible for the loss.

1. The **insured** must inform **us** or **we** must inform that **insured** if either recover property or receives payment.

2. Proper costs incurred by either party are paid first.
3. The **insured** may keep the property. If so, the amount of the claim paid or a lesser amount to which **we** agree, must be returned to **us**.
4. If the claim paid is less than the agreed loss because of a deductible or other limiting terms, the recovery is prorated between the **insured** and **us** based on the interest of each in the loss.

## PREMIUMS

The first named **insured** shown in the Declarations:

1. is responsible for the payment of all premiums.
2. will be the payee of any return premiums paid by **us**.

## FARM EQUIPMENT BREAKDOWN COVERAGE

It is agreed:

1. **DEFINITIONS** is amended. The following definitions are added for purposes of this endorsement only.

a. **Equipment breakdown** means:

(1) Physical loss or damage both originating within:

(a) boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:

- 1) waste disposal piping;
- 2) any piping forming part of a fire protective system; and
- 3) any water piping other than:
  - a) boiler feed water piping between the feed pump and the boiler;
  - b) boiler condensate return piping; or
  - c) water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes.

(b) all mechanical, electrical, electronic or fiber optic equipment; and

(2) Caused by, resulting from, or consisting of:

- (a) mechanical breakdown;
- (b) electrical or electronic breakdown; or
- (c) rupture, bursting, bulging, implosion, or steam explosion.

(3) **Equipment breakdown** does not mean:

Physical loss or damage caused by or resulting from any of the following:

- (a) wear and tear;
- (b) rust or other corrosion, decay, deterioration, hidden or latent defect, fungi, wet rot, dry rot, virus, bacteria or any other quality in property that causes it to damage or destroy itself;
- (c) smog;
- (d) settling, cracking, shrinking or expansion;
- (e) nesting or infestation, or discharge or release of waste products or secretions by insects, birds, rodents or other animals;
- (f) any accident, loss, damage, cost, claim or expense, whether preventative,

remedial or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing or processing of data by any computer system including any hardware, programs or software;

(g) scratching or marring; or

(h) loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss: fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freezing, falling objects, smoke, **aircraft** or vehicles, riot or civil commotion, vandalism or malicious mischief, theft, sinkhole collapse, volcanic eruption, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.

However, if loss or damage not otherwise excluded results, then **we** shall pay for such resulting damage.

b. **Green** means products, materials, methods and processes certified by a **Green Authority** that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.

c. **Green Authority** means an authority on **Green** buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), Green Building Initiative Green Globes®, Energy Star Rating System or any other recognized **Green** rating system.

d. **Production machinery** means any machine which processes, forms, shapes or transports raw materials, materials in process, waste materials or finished products.

2. **SECTION I - PROPERTY PROTECTION** is amended for purposes of this endorsement only.

a. **FARM PROPERTY - COVERAGES** is amended. The following is added.

**We** cover direct physical loss or damage caused by **equipment breakdown** to covered property under:

(1) **COVERAGE E - FARM BUILDINGS AND STRUCTURES**; and

(2) **COVERAGE F - FARM PERSONAL PROPERTY**:

(a) **BLANKET COVERAGE**; and

(b) **SCHEDULED COVERAGE** except **farm implements, motor vehicles, mobile equipment, recreational vehicles** and mobile **farm** machinery and equipment whether scheduled or not. For purposes of this endorsement only:

Mobile **farm** machinery and equipment means any land motor vehicle designed for use on or off public roads including but not limited to tractors, combines, loaders, bulldozers and all-terrain vehicles, including implements and attachments for use with these including but not limited to plows, cutting heads, discs, sprayers, manure agitators or spreaders and bag filling apparatus. Mobile **farm** machinery and equipment does not mean global positioning or computerized equipment or monitoring devices mounted on or attached to this equipment whether factory installed or not.

The most **we** shall pay per occurrence, regardless of the number of **equipment breakdowns**, is the limit of insurance under **COVERAGE E** and **COVERAGE F**, whichever is applicable.

If the Farm Income and Extra Expense endorsement, or the Extra Expense endorsement is part of this policy, the **equipment breakdown** coverage of this endorsement shall extend to apply to such Farm Income and Extra Expense, or Extra Expense coverage, whichever is applicable subject to the terms and conditions of the applicable endorsement.

b. **FARM PROPERTY - PERILS WE INSURE AGAINST** is amended. The following peril is added to "Broad Perils."  
**Equipment breakdown.**

c. **FARM PROPERTY - EXCLUSIONS** is amended.

**COVERAGE E - FARM BUILDINGS AND STRUCTURES**

**COVERAGE F - FARM PERSONAL PROPERTY**

(1) The following is added to exclusion **1.a.(3)**. However, if electrical covered property requires drying out because of the above, **we** shall pay for the direct expenses of such drying out subject to the applicable limit of insurance for **COVERAGE E** or **COVERAGE F**, whichever applies.

(2) **2.d.** is amended. Paragraph **(2)** is deleted and replaced by the following exclusion.  
**(2)** inherent vice or latent defect;

(3) Exclusion **2.j.** is deleted.

d. **ADDITIONAL COVERAGES** is amended.

The following coverages are added.

(1) **CFC REFRIGERANTS**

**We** shall pay for the additional cost to repair or replace covered property because of the use or presence of a refrigerant containing CFC (chlorofluorocarbon) substances. Additional costs mean those in excess of what would have been required to repair or replace covered property, had no CFC refrigerant been involved.

**We** shall pay no more than the least of the following:

1. the cost to repair the damaged property and replace any lost CFC refrigerant;
2. the cost to repair the damaged property, retrofit the system to accept a non-CFC refrigerant and charge the system with a non-CFC refrigerant; or
3. the cost to replace the system with one using a non-CFC refrigerant.

(2) **COMPUTER EQUIPMENT**

**We** shall pay for direct physical loss or damage to **your** computer(s) caused by an **equipment breakdown**.

(3) **DIRECT OR CONSEQUENTIAL LOSS TO LIVESTOCK**

**We** shall pay for direct or consequential loss, including suffocation of **livestock**, while at the **insured premises** resulting from an **equipment breakdown**. The most **we** shall pay for **livestock** is \$100,000, unless a higher limit is shown in the Declarations for **livestock** under **equipment breakdown**.

Regardless of the number of claims, this limit is the most **we** shall pay for the total of all loss or damage to all **livestock** arising out of all occurrences of an **equipment breakdown** which take place in a 12 month period (starting with the beginning of the present annual policy term).

(4) **DIRECT OR CONSEQUENTIAL LOSS TO POULTRY**

**We** shall pay for direct or consequential loss including suffocation of poultry while at the **insured premises** resulting from an **equipment breakdown**. The most **we** shall pay for poultry is \$100,000, unless a higher limit is shown in the Declarations for poultry under **equipment breakdown**.

Regardless of the number of claims, this limit is the most **we** shall pay for the total of all loss or damage to all poultry arising out of all occurrences of an **equipment breakdown** which take place in a 12 month period

(starting with the beginning of the present annual policy term).

**(5) EXPEDITING EXPENSES**

**We** shall pay for the expediting expense loss resulting from an **equipment breakdown** with respect to **your** damaged covered property. **We** shall pay the reasonable extra cost to:

1. make temporary repairs;
2. expedite permanent repairs; or
3. expedite permanent replacement.

Reasonable extra cost shall mean the extra cost of temporary repair and of expediting the repair of such damaged equipment of the **insured**, including overtime and the extra cost of express or other rapid means of transportation.

**(6) POLLUTANT CLEAN UP AND REMOVAL**

**We** shall pay the pollutant clean up and removal for loss resulting from an **equipment breakdown**. The most **we** shall pay is \$250,000, unless a higher limit is shown in the Declarations.

**(7) REFRIGERANT CONTAMINATION**

**We** shall pay the loss from contamination by refrigerant used in refrigerating, cooling, or humidity control equipment at the **insured premises** as a result of an **equipment breakdown**. The most **we** shall pay for loss or damage is \$250,000, unless a higher limit is shown in the Declarations.

**(8) SPOILAGE COVERAGE**

**We** shall pay for loss of perishable goods because of spoilage resulting from lack of power, light, heat, steam or refrigeration caused by **equipment breakdown** to types of property covered by this policy, that are:

1. located on or within 1,000 feet of **your insured premises**; and
2. owned by:
  - a. **you**, the building owner, at **your insured premises**; or
  - b. owned by a public utility.

However, **we** shall not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss: fire, lightning, combustion explosion, wind-storm or hail, weight of snow, ice or sleet, freezing, falling objects, smoke, **aircraft** or vehicles, riot or civil commotion, vandalism or malicious mischief, theft, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.

The most **we** shall pay for loss or damage is \$250,000, unless a higher limit is shown in the Declarations.

These additional coverages do not provide additional limits of insurance but are part of the applicable limit(s) of insurance applied to COVERAGE E or COVERAGE F as shown in the Declarations.

Where specific limits are stated below, **we** shall pay up to those amounts only if the applicable limit of insurance is equal to or greater than such stated limits. Otherwise, **we** shall pay no more than the applicable limit of insurance for the **equipment breakdown**.

**(9) SERVICE INTERRUPTION**

1. If the Farm Income and Extra Expense endorsement, or the Extra Expense endorsement is part of this policy, such coverage is extended to apply to **your** loss, damage or expense caused by an **equipment breakdown** to equipment that is:
  - a. located on or within 1,000 feet of **your insured premises**; and
  - b. owned by a utility, landlord or other supplier with whom **you** have a contract to supply **you** with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission.

The equipment must meet the definition of **equipment breakdown** except that it is not covered property.

2. **FARM PROPERTY - EXCLUSIONS** is amended for purposes of this coverage only.
  - a. Exclusion 1.a.(4) does not apply for this coverage.
  - b. This coverage does not apply to:
    - (1) the interruption of **farm** operations that would not or could not have been carried on if the **equipment breakdown** had not occurred;
    - (2) **your** failure to use due diligence and dispatch and all reasonable means to resume **farm** operations; or
    - (3) the part of any loss or expense that is due solely to the suspension, lapse or cancellation of a contract following an

**equipment breakdown** extending beyond the time the **farm** operations would have resumed if the contract had not lapsed, been suspended or canceled.

- e. **DEDUCTIBLE** is amended. The following is added.

**Equipment breakdown** coverage is subject to the deductible shown in the Declarations under "Farm Equipment Breakdown".

- f. **PROPERTY PROTECTION CONDITIONS** is amended.

- (1) The following is added to **HOW LOSSES ARE SETTLED**.

(a) **We** shall pay the cost **you** actually spend to repair or replace property covered by this endorsement, subject to the applicable limit of insurance shown in the Declarations under COVERAGE E or COVERAGE F.

(b) If **you** do not repair or replace the damaged covered property, **we** shall pay the **actual cash value** of such property at the time of loss, subject to the applicable limit of insurance shown in the Declarations under COVERAGE E or COVERAGE F.

- (2) The following conditions are added.

(a) **ENVIRONMENTAL, SAFETY AND ENERGY EFFICIENCY IMPROVEMENTS**

If covered property requires replacement because of an **equipment breakdown**, **we** shall pay **your** additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced.

However, **we** shall not pay more than 150% of what the cost would have been to repair or replace with like kind and quality.

This condition does not increase any of the applicable limits of insurance of the policy. This condition does not apply to any property which is covered on an **actual cash value** basis.

(b) **GREEN ENVIRONMENTAL AND EFFICIENCY IMPROVEMENTS**

1. If covered property requires repair or replacement because of an **equipment breakdown**, **we** shall pay:

- a. The lesser of the reasonable and necessary additional cost incurred by **you** to repair or

replace physically damaged covered property with equipment of like kind and quality which qualifies as **Green**. Like kind and quality includes similar size and capacity.

- b. The additional reasonable and necessary fees incurred by **you** for an accredited professional certified by a **Green Authority** to participate in the repair or replacement of physically damaged property as **Green**.

c. The additional reasonable and necessary cost incurred by **you** for certification or recertification of the repaired or replaced property as **Green**.

d. The additional reasonable and necessary cost incurred by **you** for **Green** in the removal, disposal or recycling of damaged property.

e. The **farm** income and/or necessary extra expense (if such coverages are part of this policy) during the additional time required for repair or replacement of covered property, consistent with **Green** in the coverage above.

**We** shall not pay more than 150%, up to a maximum limit of \$100,000, of what the cost would have been to repair or replace with equipment of like kind and quality inclusive of fees, costs, and any **farm** interruption loss incurred as stated above. Conditions **a.** and **b.** above shall be part of, and not in addition to, any other limits of this endorsement as shown in the Declarations.

2. **GREEN ENVIRONMENTAL AND EFFICIENCY IMPROVEMENTS**

does not apply to any of the following:

- a. stock, raw materials, finished goods, **production machinery**, merchandise, electronic data processing equipment not used in the functional support of the real property, process water, molds and dies, property in the open, property of others for which **you** are legally liable or personal property of others.

- b. any loss covered under any other section of this policy; or
- c. any cost incurred because of any law or ordinance with which **you** were legally obligated to comply prior to the time of the **equipment breakdown** loss.

**3. GENERAL POLICY CONDITIONS** is amended.

The following conditions are added for purposes of this endorsement only.

**a. SUSPENSION**

Whenever covered property is found to be in, or exposed to, a dangerous condition, any of **our** representatives may immediately suspend the insurance against loss to that covered property for the peril covered by this endorsement.

Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension or coverage reinstatement to:

1. **your** last known address to **us**; or
2. the address where the property is located.

If **we** suspend **your** insurance, **you** shall get a pro rata refund of premium. However, the suspension shall be effective even if **we** have not yet made or offered a refund.

**b. JURISDICTIONAL INSPECTIONS**

If any property that is covered property under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, **we** agree to perform such inspection on **your** behalf. **We** do not warrant that conditions are safe and healthful.

**c. LOSS COVERED UNDER MORE THAN ONE COVERAGE OF THIS INSURANCE**

If two or more of this policy's coverages apply to the same loss or damage, the coverage of this endorsement shall be primary over any coverages provided by **us** for the loss or damage that arises out of an **equipment breakdown** loss.

All other policy terms and conditions apply.

## FUNCTIONAL REPLACEMENT COST LOSS SETTLEMENT - ACTUAL CASH VALUE ROOF

It is agreed:

1. **DEFINITIONS** is amended. The following definitions are added for purposes of this endorsement only.
  - a. **Functional replacement cost** means the cost to repair or replace the damaged covered property with construction materials or methods of construction that are functionally equivalent to the original construction of the damaged covered property.
  - b. **Roof surfacing** means the outermost exterior covering of the roof of **your** dwelling or other structures insured under COVERAGE A - DWELLING or COVERAGE B - OTHER NON-FARM STRUCTURES. **Roof surfacing** includes cladding, shingles, tiles, sheeting, flashing or materials used on or above the decking for protection from moisture. **Roof surfacing** does not include gutters, vents, decking or trim.
2. **SECTION I - PROPERTY PROTECTION, PROPERTY PROTECTION CONDITIONS, HOW LOSSES ARE SETTLED** is amended. The following provisions are added for purposes of this endorsement only.
  - a. When **functional replacement cost** is shown in the Declarations as applicable to COVERAGE A or COVERAGE B, loss to such damaged covered property shall be settled as follows:
    - (1) (a) If the damaged covered property is the **roof surfacing** and such damage was caused by the peril of windstorm or hail, **we** shall pay the **actual cash value** of the **roof surfacing** at the time of loss.  
In no event shall **we** pay more than the smallest of either:
      - 1) the limit of insurance applying to the damaged covered property; or
      - 2) the cost to repair or replace the damaged covered property with property of like kind and quality.
    - (b) Provision (1)(a) above does not apply to:
      - 1) COVERAGE A - DWELLING if the amount of the covered loss to **your** dwelling is equal to or greater than the COVERAGE A - DWELLING limit of insurance shown in the Declarations; or
      - 2) COVERAGE B - OTHER NON-FARM STRUCTURES if the amount of the covered loss to **your** other structure is equal to or greater than the COVERAGE B - OTHER NON-FARM STRUCTURES limit of insurance shown in the Declarations.
    - (2) If the damaged covered property is not included in (1)(a) above, **we** shall pay as follows:
      - (a) If at the time of loss, the limit of insurance applying to the damaged covered property is 80% or more of the **functional replacement cost** of that covered property, **we** will pay after application of any deductible the smallest of:
        - 1) the limit of insurance applying to the damaged covered property; or
        - 2) the amount actually spent to repair or replace the damaged property on a **functional replacement cost** basis.
      - (b) If at the time of loss, the limit of insurance applying to the damaged covered property is 80% or more of the **functional replacement cost** of that covered property, and **you** do not make claim under (2)(a) above, **we** will pay after application of any deductible, the smallest of the following amounts:
        - 1) the limit of insurance applying to the damaged covered property;
        - 2) the **actual cash value** of the damaged covered property; or
        - 3) the amount which it would cost to repair or replace the damaged covered property on a **functional replacement cost** basis.
      - (c) If at the time of loss, the limit of insurance applying to the damaged covered property is less than 80% of the **functional replacement cost** of that covered property, **we** will pay after application of any deductible and without deduction for **depreciation** the ratio of the limit of insurance applying to the damaged covered property to 80% of its **functional replacement cost**, not to exceed the limit of insurance.
      - (d) The **functional replacement cost** provisions of 2.a.(2)(a) - (c) above shall not apply in any event to:
        - 1) antennas, carpeting, awnings, domestic appliances and outdoor equipment, whether or not attached to buildings;
        - 2) structures covered under COVERAGE B, paragraph 1.b.; or
        - 3) structures that are not buildings.

- b. To determine **functional replacement cost**, do not include the cost of excavations, underground pipes, wiring and drains, foundations or other supports below the surface of the lowest basement floor. If there is no basement, it does not include the cost of those supports below the surface of the ground and inside the foundation walls.
- c. If the **actual cash value** of the damaged covered property is less than **functional replacement cost**:
- (1) **We** will pay no more than the **actual cash value** of the damaged covered property until replacement is complete. Once replacement is complete, **we** will settle the loss according to **2.a.(2)(a)** and **2.a.(2)(c)** above. However, if the cost to functionally repair the damaged covered property is both:
- (a) less than 5% of the limit of insurance on the damaged covered property; and
- (b) less than \$1,000
- we** will settle the loss according to **2.a.(2)(a)** and **2.a.(2)(c)** above whether or not replacement is complete.
- (2) **You** may disregard the **functional replacement cost** loss settlement provisions **2.a.(2)(a) - (c)** and make an **actual cash value** claim for loss or damage to property covered under COVERAGES A and B. If **you** do, **you** may make a further claim under the provisions of **2.a.(2)** above, provided **you** notify **us** of **your** intent to repair or replace the damaged covered property within 180 days after the initial **actual cash value** payment. However, to receive additional payment **you** must:
- (a) complete repair or replacement of the damaged covered property within two years after the date of loss; and
- (b) notify **us** within 30 days after the repair or replacement has been completed.
- d. **We** may make a cash settlement and take all or part of the damaged covered property at its appraised or agreed on value or repair the damaged covered property with construction materials or methods of construction that are functionally equivalent to the original construction. **We** must give **you** notice of **our** intention within 30 days after **we** receive **your** proof of loss.

All other policy terms and conditions apply.

South Dakota  
**FARM INCOME AND EXTRA EXPENSE**

It is agreed:

1. **DEFINITIONS** is amended. The following definitions are added for purposes of this endorsement only.
  - a. **Extra expense** means the necessary expenses **you** incur during the **period of restoration** to continue **your** normal **farm operations** that **you** would not have incurred if there had been no accidental direct physical loss to covered property.
  - b. **Farm income** means the:
    - (1) net income (net profit or loss before income taxes) that would have been earned or incurred; and
    - (2) other continuing normal operating expenses, including **payroll**.
  - c. **Farm operations** mean **your farming** activities occurring at the **insured premises**.
  - d. **Payroll** means:
    - (1) **payroll** expenses for all **your** employees except employees under contract, officers, executives, and **farm** managers;
    - (2) employee benefits, if directly related to **payroll**;
    - (3) FICA payments **you** pay;
    - (4) workers compensation premiums; and
    - (5) rental value of housing provided, if part of an employee's earnings.
  - e. **Period of restoration** means the period of time that:
    - (1) Begins immediately following the time of accidental direct physical loss to covered property under **COVERAGE E** and **COVERAGE F** caused by a peril **we** insure against; however, if a waiting period is shown in the Declarations, then after such period following the time of accidental direct physical loss.
    - (2) Ends on the earlier of:
      - (a) the date when the covered property at the **farm** premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
      - (b) the date when the **farm operations** are resumed at a new permanent location.

**Period of restoration** does not mean any increased period of time because of the enforcement of any ordinance or law regulating the:

    - (1) construction, use or repair, or requiring the tearing down of any property; or
    - (2) prevention, control, repair, testing for, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of **pollutants**.  
The policy expiration date shall not be cut short or cause the **period of restoration** to terminate.
  - f. **Suspension** means the reduction or total cessation of **your farm operations**.
2. **COVERAGE**
  - SECTION I - PROPERTY PROTECTION, ADDITIONAL COVERAGES is amended. The following additional coverages are added.
    - a. **FARM INCOME**
      - (1) We shall pay for actual loss of **farm income you** sustain because of the necessary **suspension of your farm operations**:
        - (a) at the **insured premises**; and
        - (b) during the **period of restoration**.  
The **suspension** must be caused by accidental direct physical loss to covered property described under either **COVERAGE E** or **COVERAGE F**, or both and be caused by a peril **we** insure against.
      - (2) This coverage shall extend to include **farm income** loss caused by action of Civil Authority that prohibits access to the **insured premises** because of accidental direct physical loss to a neighboring premises by a peril insured against by this endorsement.
      - (3) Civil Authority coverage for **farm income** loss shall begin immediately after the time of the first action of Civil Authority that prohibits access to the **insured premises** and will end:
        - (a) four consecutive weeks after the date of that action; or
        - (b) when Civil Authority action ends whichever is earlier.
    - b. **EXTRA EXPENSE**
      - (1) We shall pay **extra expense** (other than the expense to repair or replace covered property) following accidental direct physical loss to covered property under either **COVERAGE E** or **COVERAGE F**, or both which is caused by a peril **we** insure against that results in **suspension of your farm operations**.

- (2) **We** shall pay **extra expense** to:
- (a) Avoid or minimize the **suspension of your farm operations** and to continue **your farm operations** at the **insured premises** or at replacement premises or temporary location, including relocation expenses and costs to equip and operate the replacement location or temporary location.
  - (b) Minimize the **suspension of your farm operations** if **you** cannot continue **your farm operations**.
- (3) **We** shall also pay **extra expense** to repair or replace covered property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this coverage.
- (4) This coverage shall extend to include **extra expense** loss caused by action of Civil Authority that prohibits access to the **insured premises** because of accidental direct physical loss to a neighboring premises by a peril insured against by this form.
- (5) Civil Authority coverage for **extra expense** shall begin immediately after the time of the first action of Civil Authority that prohibits access to the **insured premises** and shall end:
- (a) four consecutive weeks after the date of that action; or
  - (b) when Civil Authority action ends whichever is earlier.

### 3. EXCLUSIONS

- a. All exclusions under **FARM PROPERTY - EXCLUSIONS** apply.
- b. **We** shall not pay for:
  - (1) Any increase of loss caused by or resulting from any cancellation, lapse or suspension of contract, lease or license.
  - (2) Any increase of loss caused by or resulting from any interference in rebuilding, repairing or replacing the property or with resuming **your farm operations** by strikers or other persons at the **insured premises**.
  - (3) Any increase of loss caused by or resulting from **your** failure to use reasonable efforts to resume all or part of **your farm operations**.
  - (4) Any **extra expense** caused by or resulting from any cancellation, lapse or suspension of contract, lease or license beyond the **period of restoration**.
  - (5) Any **extra expense** caused by or resulting from any delay in rebuilding, repairing or replacing covered property or resuming **farm operations** because of an insufficiency of or failure to maintain adequate Limits of

Insurance for Farm Buildings and Structures, and Farm Personal Property.

- (6) Any expenses that are not necessary during the **period of restoration**.
- (7) Any loss caused by or resulting from contamination of any covered property covered by this policy.
- (8) Any **farm income** or **extra expense** for loss to growing crops.
- (9) Any **farm income** or **extra expense** for loss to standing or harvested crops which are in the open. **We** shall cover **farm income** and **extra expense** for loss to:
  - (a) standing crops which are in the open only for accidental direct physical loss caused by the perils of fire, lightning, theft, vandalism, malicious mischief or vehicles not owned or operated by any **insured**.
  - (b) harvested crops which are in the open only for accidental direct physical loss caused by the perils of fire, lightning, wind, hail, theft, vandalism, malicious mischief or vehicles not owned or operated by any **insured**.

### 4. LIMIT OF INSURANCE

The most **we** shall pay for loss in any one occurrence is the Limit of Insurance shown in the Declaration for **Farm Income And Extra Expense**. Payments for **Extra Expense** will not increase such Limit of Insurance.

### 5. LOSS CONDITIONS

#### a. APPRAISAL

If **you** and **we** fail to agree on the amount of net income and operating expense or amount of loss covered by this endorsement, the matter may be appraised, provided both parties agree to do so. Each party shall select a competent and impartial appraiser and notify the other of the appraiser's identity within 20 days after the demand is received. The appraisers shall select a competent and impartial umpire. If the appraisers are unable to agree upon an umpire within 15 days, **you** or **we** can ask a judge of a court of record in the state where the **insured premises** is located to select an umpire. The appraisers shall then appraise the loss, stating separately the amount of net income and operating expense or amount of loss. If the appraisers submit a written report of an agreement to **us**, the amount agreed upon shall be the amount of net income and operating expense or amount of loss. If they cannot agree, they shall submit their differences to the umpire. A written award by two shall determine the amount of net income and operating expense or amount of loss.

Each party shall pay the appraiser it chooses, and equally pay the umpire and all other expenses of the appraisal.

Neither party shall be bound by the results of the appraisal.

**We** retain **our** right to deny the claim in the event there is an appraisal.

**b. What To Do In Case Of Loss**

**You** must see that the following are done:

- (1) notify the police if a law may have been broken.
- (2) give **us** or **your** agency immediate notice of the loss.
- (3) take all reasonable steps to protect the covered property from further damage and keep a record of **your** necessary expenses incurred to protect the covered property.
- (4) permit **us** to inspect the property proving the loss and examine **your** books and records.
- (5) permit **us** to make copies from **your** books and records.
- (6) send **us** a signed, sworn proof of loss containing the information **we** request to investigate the claim. **You** must do this within 60 days after the loss. **We** shall supply **you** the necessary forms.
- (7) cooperate with **us** in the investigation or settlement of the claim.
- (8) submit to statements, examinations under oath, and video taped examinations under oath while not in the presence of any other **insured** and sign the transcripts of the statements and examinations.
- (9) make available **farm employees**, members of **your** household or others for examination under oath and video taped examinations under oath to the extent it is within **your** power to do so.

**c. How Losses Are Settled**

- (1) The amount of **farm income** loss shall be determined based on:
  - (a) the net income of the **farm operations** before the accidental direct physical loss occurred.
  - (b) the likely net income of the **farm operations** if no accidental direct physical loss had occurred.

(c) the operating expenses, including payroll expenses that are necessary to resume the **farm operations**.

(d) other relevant sources of information including but not limited to:

- 1) bills, invoices and vouchers;
- 2) deeds, contracts or liens; and
- 3) **your** accounting procedures and financial records.

(2) The amount of **extra expense** shall be determined upon:

(a) all expenses that exceed the normal operating expenses that would have been incurred by the **farm operations** during the **period of restoration** if no accidental direct physical loss had occurred.

**We** shall deduct from the total of such expenses:

- 1) the salvage value that remains of any property bought for temporary use during the **period of restoration**, once the **farm operations** are resumed; and
- 2) any **extra expense** that is paid for by other insurance, except for insurance that is written subject to the same conditions, provisions, plan and terms as this insurance; and

(b) necessary expenses that reduce the **farm income** loss that otherwise would have been incurred.

**d. Resumption Of Operations**

**We** shall reduce the amount of **your**:

- (1) **Farm income** loss, other than **extra expense**, to the extent **you** can resume **your farm operations** in whole or in part, by using damaged or undamaged property at the **insured premises** or elsewhere.
- (2) **Extra expense** loss to the extent **you** can return **your farm operations** to normal and discontinue such **extra expense**.

e. If **you** do not resume **your farm operations**, or do not resume **your farm operations** as quickly as possible, **we** shall pay based on the length of time it would have taken to resume the **farm operations** as quickly as possible.

All other policy terms and conditions apply.

## HOUSEHOLD PERSONAL PROPERTY REPLACEMENT COST AMENDATORY

It is agreed:

**SECTION I – PROPERTY PROTECTION, PROPERTY PROTECTION CONDITIONS, HOW LOSSES ARE SETTLED** is amended. **3.** is deleted and replaced by the following.

- 3.** The following applies only when replacement cost is shown in the Declarations as applicable to **COVERAGE C.**
- a. (1) (a)** If the damaged covered property:
- 1)** is covered property described under **COVERAGE C;**
  - 2)** are structures which are not buildings which are located at the **residence premises;** or
  - 3)** unless described under **COVERAGE A,** are outdoor radio and television antennas and aerials, carpeting, awnings, domestic appliances and outdoor equipment, whether or not attached to a building **we** will pay on the basis of the full cost to repair or the full cost to replace the damaged covered property without a deduction for **depreciation.**
- (b)** However, **we** shall not pay the full cost to repair or replace:
- 1)** antiques, fine arts, paintings and similar property which is rare or an antique and cannot be replaced;
  - 2)** mementos, souvenirs, collectors items, trading cards and similar property, the age or history of which contributes to its value; or
  - 3)** any item which at the time of loss is:
    - a)** broken or awaiting repair;
    - b)** no longer capable of or will no longer be used to perform the function for which it was designed; or
    - c)** obsolete or useless to the **insured.**
- (2)** Subject to any applicable special limits of insurance provisions shown in **COVERAGE C,** **we** shall pay no more than the smallest of:
- (a)** the full cost to replace the article at the time of loss; or
  - (b)** the full cost to repair the article.
- In no event shall **we** pay more than the limit of insurance shown in the Declarations that applies to the damaged covered property for all loss and damage in any one loss.
- This does not apply to personal property subject to **3.b.** below.
- b. (1)** If the damaged covered property is personal property separately described and specifically insured by this policy, except:
- (a)** **watercraft,** including their equipment, accessories and parts;
  - (b)** outboard motors;
  - (c)** **recreational vehicles,** including their equipment, accessories and parts; or
  - (d)** property insured on an agreed value basis
- we** will pay on the basis of the full cost to repair or the full cost to replace the damaged property without a deduction for **depreciation.**
- (2)** In no event shall **we** pay more than the smallest of the following:
- (a)** the full cost to replace the article at the time of loss;
  - (b)** the full cost to repair the article; or
  - (c)** the limit scheduled on the Declarations for the article.
- c.** If the full cost to replace all damaged covered property exceeds \$500, **we** will pay no more than the **actual cash value** of such property until actual repair or replacement of such property is completed.
- d.** An **insured** may choose to disregard this provision, **3.,** when making a claim under this policy and accept an **actual cash value** settlement. If so, that **insured** shall have the right to make a further claim under the terms of this policy, provided **we** are notified of the intent to repair or replace the damaged covered property within 180 days after the initial **actual cash value** payment. However, to receive additional payment **you** must:
- (1)** complete repair or replacement of the damaged covered property within two years after the date of loss; and
  - (2)** notify **us** within 30 days after the repair or replacement has been completed.

- e. **We** may make a cash settlement and take all or part of the damaged covered property at its appraised or agreed on value, or repair or replace the damaged property with property of like kind and quality. **We** must give **you** notice of **our** intention within 30 days after **we** receive **your** proof of loss.
- f. With regard to only this provision, **3.**, "full cost to repair or replace" shall mean the cost, at the time of loss, of a new article identical to the damaged or stolen article, or an article of comparable quality if an identical article is no longer available.

All other policy terms and conditions apply.

## SERVICE LINE COVERAGE

It is agreed:

1. **DEFINITIONS** is amended. The following definitions are added for purposes of this endorsement only.
  - a. **Green** means products, materials, methods and processes certified by a **Green Authority** that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.
  - b. **Green Authority** means an authority on **Green** buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), Green Building Initiative Green Globes®, Energy Star Rating System or any other recognized **Green** rating system.
  - c. **Service line covered property** means any piping or wiring that provides the following services to a **residence premises**: electrical power, heating, natural gas, waste disposal, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission. However, **service line covered property** does not include any piping or wiring that is not underground.
  - d. **Service line occurrence** means a leak, break, tear, rupture, collapse or arcing caused by:
    - (1) wear and tear;
    - (2) rust or other corrosion, decay, deterioration, hidden or latent defect;
    - (3) collapse, but not including sinkhole or subsidence collapse;
    - (4) electrical and mechanical or pressure systems breakdown; or
    - (5) freeze.

**Service line occurrence** will only apply to causes of loss listed above. However, **service line occurrence** will include any excavation costs associated with the repair or replacement of **service line covered property**.
2. **SECTION I - PROPERTY PROTECTION, RESIDENTIAL PROPERTY - COVERAGES** is amended for purposes of this endorsement only. The following provision is added.
 

**We** cover direct physical loss or damage to **service line covered property** owned by **you** or for which **you** are legally liable that is caused by a **service line occurrence** at a **residence premises**. Service Line Coverage extends to any Additional Living Expense Or Loss Of Rents (if coverage is provided by the policy to which this endorsement is attached). The Service Line Coverage Limit shown in the Declarations is the most **we** pay for any one loss, regardless of the number of **service line occurrences**.
3. **PROPERTY PROTECTION CONDITIONS** is amended for purposes of this endorsement only.
  - a. The following is added to **HOW LOSSES ARE SETTLED**.
 

**We** shall pay the cost **you** actually spend to repair or replace property covered by this endorsement, subject to the limit of insurance shown in the Declarations under Service Line Coverage.
  - b. The following condition is added.
 

**GREEN ENVIRONMENTAL, SAFETY AND EFFICIENCY IMPROVEMENTS**

If covered property requires repair or replacement because of a **service line occurrence**, **we** will pay:

    1. The lesser of the reasonable and necessary additional cost incurred by **you** to repair or replace physically damaged covered property with equipment of like kind and quality which qualifies as **Green**. Like kind and quality includes similar size and capacity.
    2. The additional reasonable and necessary fees incurred by the **insured** for an accredited professional certified by a **Green Authority** to participate in the repair or replacement of physically damaged covered property as **Green**.
    3. The additional reasonable and necessary cost incurred by the **insured** for certification or recertification of the repaired or replaced covered property as **Green**.
    4. The additional reasonable and necessary cost incurred by the **insured** for **Green** in the removal, disposal or recycling of damaged covered property.
    5. The Additional Living Expense Or Loss Of Rents (if coverage is provided by the policy to which this endorsement is attached) loss during the additional time required for repair or replacement of covered property, consistent with **Green**, in the coverages above.

However, **we** will not pay more than 150% of what the cost would have been to repair or replace such property with like kind and quality inclusive of fees, costs, and any additional living

expenses or loss of rents loss incurred as stated above.

This is not an additional limit of insurance.

All other policy terms and conditions apply.

## FARM HOME PLUS - DWELLING

It is agreed:

When "Farm Home Plus - Dwelling" is shown in the Declarations under a dwelling, **SECTION I - PROPERTY PROTECTION** is amended as follows only with respect to such dwelling.

**1. RESIDENTIAL PROPERTY - EXCLUSIONS** is amended.

- a. With respect to RESIDENTIAL PROPERTY only, the following exclusion is deleted wherever it appears in the policy or any endorsement attached to the policy.

Continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, air conditioning or automatic fire protection sprinkler system or from within a domestic appliance which occurs over a period of weeks, months or years.

- b. With respect to RESIDENTIAL PROPERTY only, the following exclusion replaces the preceding exclusion wherever it appeared in the policy or any endorsement attached to the policy.

Continuous or repeated seepage or leakage of water or steam from within a plumbing, heating, air conditioning or automatic fire protection sprinkler system or from within a domestic appliance which occurs over a period of weeks, months or years except as provided by the additional coverage DOMESTIC APPLIANCE SEEPAGE OR LEAKAGE.

**2. ADDITIONAL COVERAGES** is amended.

- a. The following additional coverages are added.

**(1) MORTGAGE EXTRA EXPENSE COVERAGE**

In the event of a covered loss to such dwelling for which **we** have paid or have agreed to pay an amount equal to the limit of insurance shown in the Declarations for COVERAGE A - DWELLING, **we** shall reimburse **you** for the following costs and expenses to repair or replace such dwelling provided they are incurred within 120 days after the date of the loss.

**1. Acquisition Costs**

**We** shall pay no more than \$750 for the following direct monetary costs:

- a. title search fees;
- b. appraisal fees; and
- c. application fees.

**2. Additional Monthly Mortgage Expense**

**We** shall pay that part of the additional monthly mortgage expense on the replacement dwelling which is because of a higher rate of interest for the same principal amount as the first mortgage on such dwelling at the time of loss.

**We** shall pay no more than \$250 per month for the shorter of the following periods:

- a. four years from the date of the first payment; or
- b. that date following the first payment on which **your**:
  - (1) ownership; or
  - (2) legal control
 of the replacement dwelling is transferred or otherwise assigned.

Payments shall be made semi-annually. The deductible shown in the Declarations shall apply.

**(2) DOMESTIC APPLIANCE SEEPAGE OR LEAKAGE**

**We** shall pay up to the limit of insurance shown in the Declarations under "Domestic Appliance Seepage or Leakage" for loss or damage to covered property at the **residence premises** caused directly or indirectly by constant or repeated seepage or leakage of water or steam from within a:

1. plumbing system;
2. heating system;
3. air conditioning system;
4. automatic fire protection sprinkler system; or
5. domestic appliance

which occurs over a period of weeks, months or years. However, **we** do not cover loss to the system or appliance from which the water or steam seeps or leaks. This is not an additional amount of insurance.

- b. The following additional coverages are amended.

**(1) TREE DEBRIS REMOVAL** is deleted and replaced by the following additional coverage.

**TREE DEBRIS REMOVAL**

**We** shall pay up to \$1,000 for any one loss for reasonable necessary expenses **you** incur for removing trees, limbs and branches from the **residence premises** if:

1. caused by any peril **we** insure against under COVERAGE A - DWELLING provided such peril is not listed under TREES, SHRUBS, PLANTS AND LAWNS; and
2. this coverage is not provided elsewhere in this policy.

The limit of \$1,000 for any one loss applies, regardless of the number of fallen trees, limbs and branches.

(2) The following is added to **GLASS OR SAFETY GLAZING MATERIAL**.

With respect to loss at the **residence premises** covered by this additional coverage:

1. a deductible shown in the Declarations of \$250 or less is waived; and
2. if the policy deductible is greater than \$250, a \$250 deductible shall apply to this coverage.

(3) **REFRIGERATED PRODUCTS** is deleted and replaced by the following additional coverage.

**REFRIGERATED PRODUCTS**

**We** shall pay for damage to the contents of a freezer or refrigerator located at the **residence premises** provided the damage is the direct result of a power failure away from the **residence premises**, or an electrical or mechanical failure of the refrigeration system. Power, electrical or mechanical failure does not include:

1. removing of a plug from an electrical outlet; or
2. turning off of an electrical switch unless caused by a peril **we** insure against.

If any **insured** is aware of the power, electrical or mechanical failure, all reasonable action to protect the covered property from further damage must be taken or this coverage shall be void.

No loss shall be paid until the amount of loss exceeds the deductible shown in the Declarations under "Refrigerated Products". The most **we** shall pay in any one loss is \$1,000 regardless of the number of freezers or refrigerators involved in the loss. This is not an additional amount of insurance.

All other policy terms and conditions apply.

South Dakota  
**POLICY AMENDATORY FORM**

It is agreed:

**1. SECTION I - PROPERTY PROTECTION, PROPERTY PROTECTION CONDITIONS** is amended.

- a. Wherever it appears in this policy, **APPRAISAL** is deleted and replaced by the following condition.

**APPRAISAL**

If **you** and **we** fail to agree on the **actual cash value** or amount of loss covered by this policy, the matter may be appraised, provided both parties agree to do so. Each party shall select a competent and impartial appraiser and notify the other of the appraiser's identity within 20 days after the demand is received. The appraisers shall select a competent and impartial umpire. If the appraisers are unable to agree upon an umpire within 15 days, **you** or **we** can ask a judge of a court of record in the state where the **insured premises** is located to select an umpire. The appraisers shall then appraise the loss, stating separately the **actual cash value** and loss to each item. If the appraisers submit a written report of an agreement to **us**, the amount agreed upon shall be the **actual cash value** or amount of loss. If they cannot agree, they shall submit their differences to the umpire. A written award by two shall determine the **actual cash value** or amount of loss.

Each party shall pay the appraiser it chooses, and equally pay the umpire and all other expenses of the appraisal.

Neither party shall be bound by the results of the appraisal.

**We** retain **our** right to deny the claim in the event there is an appraisal.

- b. **SUIT AGAINST US** is deleted and replaced by the following condition.

**SUIT AGAINST US**

**Suit** must be brought within six years after the loss or damage occurs.

- c. The following condition is added.

**VALUED POLICY**

1. This condition when applicable, supersedes the provisions of **HOW LOSSES ARE SETTLED**.
2. When covering real property and such property is totally destroyed by fire, tornado or

lightning without criminal fault on the part of the **insured** or the **insured's** assigns, the limit of insurance stated in the Declarations for **COVERAGE A - DWELLING**, shall be taken conclusively to be the true value of the property insured and the true amount of loss and measure of damages subject to the following conditions:

- a. The Valued Policy paragraph above only applies if a total fire loss occurs 90 days or more after the policy:

- (1) Was written for the covered property; or
- (2) **COVERAGE A** limit of insurance for the covered property was increased by 25% or more at the request of any **insured**.

This paragraph does not apply if:

- (1) The policy renews and **COVERAGE A** limit of insurance is unchanged;
- (2) **COVERAGE A** limit of insurance was adjusted according to the **ADJUSTED VALUE PROVISION**; or
- (3) The policy was converted from a lesser valued coverage to replacement cost coverage, subject to a written agreement between the **insured** and **us** that this policy will be written on a valued policy basis.

- b. A builder's risk policy covering property in the process of being constructed, shall be valued and settled according to the actual value of that portion of the construction that is completed at the time of a fire, tornado or lightning loss.
- c. If this policy covers any real property in the process of being constructed for the purpose of serving as a residence, other than property covered by a builder's risk policy, it shall be valued and settled according to the terms and conditions of the policy for valuation of that portion of the construction completed at the time of a fire, tornado or lightning loss.
- d. The Valued Policy provision of **3.b.** above applies to a claim for loss of

other structures under **COVERAGE B - OTHER NON-FARM STRUCTURES** if a specific amount of insurance per structure is stated in the Declarations prior to any claim for loss. If there is no specific amount of insurance per structure stated in the Declarations prior to any claim for loss, loss settlement will be made according to policy provisions under **HOW LOSSES ARE SETTLED**.

The above conditions do not apply to real property insured under **FARM PROPERTY- COVERAGES, COVERAGE E - FARM BUILDING AND STRUCTURES**.

2. **SECTION II - PERSONAL LIABILITY PROTECTION, PERSONAL LIABILITY PROTECTION CONDITIONS** is amended.

**SUIT AGAINST US** is deleted and replaced by the following condition.

**SUIT AGAINST US**

No one shall have any right to make **us** a party to a **suit** to determine the liability of any **insured**. Any person seeking coverage, must conform with the statute of limitations applicable in the state in which the **occurrence** or **incident** took place.

All other policy terms and conditions apply.

## LIMITATION - FUNGI, WET ROT, DRY ROT AND BACTERIA

### Farm Policy

It is agreed:

1. **DEFINITIONS** is amended. The following definitions are added.
 

**Fungi** means any type or form of fungus, including but not limited to, any mold, mildew, mycotoxins, spores, scents or byproducts produced or released by any type or form of fungus.

**Fungi remediation cost** means the reasonable cost:

  - a. to remove **fungi**, wet rot, dry rot or bacteria from covered property under SECTION I - PROPERTY PROTECTION;
  - b. to tear out and replace any part of covered property as needed to gain access to the **fungi**, wet rot, dry rot or bacteria; and
  - c. to test property or air to confirm the presence, level or absence of **fungi**, wet rot, dry rot or bacteria only if there is reason to believe that **fungi**, wet rot, dry rot or bacteria is present. **We** shall pay such cost whether performed prior to, during or after removal, repair, restoration or replacement.
2. **SECTION I - PROPERTY PROTECTION** is amended.
  - a. **RESIDENTIAL PROPERTY - EXCLUSIONS, COVERAGE A - DWELLING, COVERAGE B - OTHER NON-FARM STRUCTURES, COVERAGE C - HOUSEHOLD PERSONAL PROPERTY** is amended. The following exclusion is added.
 

**Fungi**, wet rot, dry rot or bacteria, except as provided under the additional coverage FUNGI, WET ROT, DRY ROT AND BACTERIA. This exclusion does not apply:

    - (1) to accidental direct physical loss to covered property as a result of **fungi**, wet rot, dry rot or bacteria, if such loss follows prior accidental direct physical loss to covered property caused by fire or lightning; or
    - (2) to ensuing loss not otherwise excluded resulting directly or indirectly by **fungi**, wet rot, dry rot or bacteria.
  - b. **RESIDENTIAL PROPERTY - EXCLUSIONS, COVERAGE A - DWELLING, COVERAGE B - OTHER NON-FARM STRUCTURES** is amended.
    - (1) Exclusion 1. is deleted and replaced by the following.
      1. Weather conditions which contribute in any way with any events excluded in COVERAGE A - DWELLING, COVERAGE B - OTHER NON-FARM STRUCTURES and COVERAGE C - HOUSEHOLD PERSONAL PROPERTY above to cause a loss.
    - (2) (4)(c) is deleted and replaced by the following.
      - (c) rust or other corrosion, or electrolysis;
  - c. **ADDITIONAL COVERAGES** is amended. The following additional coverage is added.
 

**FUNGI, WET ROT, DRY ROT AND BACTERIA**

    1. **We** shall pay for accidental direct physical loss to covered property and **fungi remediation cost** as a result of **fungi**, wet rot, dry rot or bacteria if such loss follows prior accidental direct physical loss to covered property caused by any peril insured against other than fire or lightning.
    2. **We** shall pay no more than the least of the following for loss of or damage to covered property including **fungi remediation cost**:
      - a. subject to 2.c.2.b. and 2.c.2.c., **we** shall pay no more than the limit of insurance shown in the Declarations under "Property Coverage Limitation for Fungi, Wet Rot, Dry Rot and Bacteria" for all accidental direct physical loss to covered property including **fungi remediation cost**.
      - b. when the Farm Home Plus - Tenants endorsement or the Water Backup Of Sewers Or Drains endorsement is part of this policy and **fungi**, wet rot, dry rot or bacteria follows accidental direct physical loss to covered property resulting directly from covered water backup, **we** shall pay no more than the limit of insurance shown in the Declarations under "Water Backup of Sewers or Drains" for all accidental direct physical loss to covered property including **fungi remediation cost**.

- c. when the Farm Home Plus - Dwelling endorsement is part of this policy and **fungi**, wet rot, dry rot or bacteria follows accidental direct physical loss to covered property resulting directly from covered water seepage or leakage, **we** shall pay no more than the limit of insurance shown in the Declarations under "Domestic Appliance Seepage or Leakage" for all accidental direct physical loss to covered property including **fungi remediation cost**.

This is the most **we** shall pay per building for the total of all loss or costs payable under SECTION I - PROPERTY PROTECTION during the policy term shown in the Declarations regardless of the number of buildings or locations covered by this policy or the number of losses. This does not apply to COVERAGE D - ADDITIONAL LIVING EXPENSE AND LOSS OF RENTS. This amount shall not be increased because of the provisions of the Increased Cost Coverage endorsement or the Guaranteed Home

Replacement Cost endorsement, if attached to this policy. This additional coverage shall not trigger coverage under the Increased Cost Coverage endorsement or the Guaranteed Home Replacement Cost endorsement, if attached to this policy. This is not an additional amount of insurance.

3. This additional coverage applies only to loss or costs resulting from accidental direct physical loss to covered property by a peril **we** insure against during the policy term only if all reasonable means were used to preserve and save covered property from further damage.
4. If there is accidental direct physical loss to covered property, not caused, in whole or in part, by **fungi**, wet rot, dry rot or bacteria, **our** payment of loss shall not be limited by the terms of this coverage, except to the extent that **fungi**, wet rot, dry rot or bacteria causes an increase in the loss. All such increase shall be subject to the provisions of this additional coverage.

All other policy terms and conditions apply.

## FUNCTIONAL REPLACEMENT COST LOSS SETTLEMENT

It is agreed:

1. **DEFINITIONS** is amended. The following definition is added for purposes of this endorsement only.  
**Functional replacement cost** means the cost to repair or replace the damaged covered property with construction materials or methods of construction that are functionally equivalent to the original construction of the damaged covered property.
2. **SECTION I - PROPERTY PROTECTION, PROPERTY PROTECTION CONDITIONS, HOW LOSSES ARE SETTLED** is amended. The following provisions are added for purposes of this endorsement only.
  - a. When **functional replacement cost** is shown in the Declarations as applicable to COVERAGE A - DWELLING or COVERAGE B - OTHER NON-FARM STRUCTURES loss to damaged covered property shall be settled as follows:
    - (1) If at the time of loss, the limit of insurance applying to the damaged covered property is 80% or more of the **functional replacement cost** of that covered property, **we** will pay after application of any deductible the smallest of:
      - (a) the limit of insurance applying to the damaged covered property; or
      - (b) the amount actually spent to repair or replace the damaged property on a **functional replacement cost** basis.
    - (2) If at the time of loss, the limit of insurance applying to the damaged covered property is 80% or more of the **functional replacement cost** of that covered property, and **you** do not make claim under **2.a.(1)** above, **we** will pay after application of any deductible, the smallest of the following amounts:
      - (a) the limit of insurance applying to the damaged covered property;
      - (b) the **actual cash value** of the damaged covered property; or
      - (c) the amount which it would cost to repair or replace the damaged covered property on a **functional replacement cost** basis.
    - (3) If at the time of loss, the limit of insurance applying to the damaged covered property is less than 80% of the **functional replacement cost** of that covered property, **we** will pay after application of any deductible and without deduction for **depreciation** the ratio of the limit of insurance applying to the damaged covered property to 80% of its **functional replacement cost**, not to exceed the limit of insurance.
    - (4) The **functional replacement cost** provisions of **2.a.(1)**, **2.a.(2)** and **2.a.(3)** above shall not apply in any event to:
      - (a) antennas, carpeting, awnings, domestic appliances and outdoor equipment, whether or not attached to buildings;
      - (b) structures covered under COVERAGE B - OTHER NON-FARM STRUCTURES, paragraph **1.b.**; or
      - (c) structures that are not buildings.
  - b. To determine **functional replacement cost**, do not include the cost of excavations, underground pipes, wiring and drains, foundations or other supports below the surface of the lowest basement floor. If there is no basement, it does not include the cost of those supports below the surface of the ground and inside the foundation walls.
  - c. If the **actual cash value** of the damaged covered property is less than **functional replacement cost**:
    - (1) **we** will pay no more than the **actual cash value** of the damaged covered property until replacement is complete. Once replacement is complete, **we** will settle the loss according to **2.a.(1)** and **2.a.(3)** above. However, if the cost to functionally repair the damaged covered property is both:
      - (a) less than 5% of the limit of insurance on the damaged covered property; and
      - (b) less than \$1,000**we** will settle the loss according to **2.a.(1)** and **2.a.(3)** above whether or not replacement is complete.
    - (2) **You** may disregard the **functional replacement cost** loss settlement provisions **2.a.(1)**, **(2)** and **(3)** and make an **actual cash value** claim for loss or damage to property covered under COVERAGE A - DWELLING and COVERAGE B - OTHER NON-FARM STRUCTURES. If **you** do, **you** may make a further claim under the provisions of **2.a.** above, provided **you** notify **us** of **your** intent to repair or replace the damaged covered

property within 180 days after the initial **actual cash value** payment. However, to receive additional payment **you** must:

- (a) complete repair or replacement of the damaged covered property within two years after the date of loss;  
and
  - (b) notify **us** within 30 days after the repair or replacement has been completed.
- d. **We** may make a cash settlement and take all or part of the damaged covered property at its appraised or agreed on value or repair the damaged covered property with construction materials or methods of construction that are functionally equivalent to the original construction. **We** must give **you** notice of **our** intention within 30 days after **we** receive **your** proof of loss.

All other policy terms and conditions apply.

## CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

### A. Applicability Of This Endorsement

1. The provisions of this endorsement will apply if and when one of the following situations occurs:
  - a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act), terminates; or
  - b. The Program is renewed, extended or otherwise continued in effect:
    - (1) With revisions that increase insurers' statutory percentage deductible or decrease the federal government's statutory percentage share in potential terrorism losses above such deductible, or that results in a change in the level or terms or conditions of coverage; and
    - (2) We are not required by the Program to make terrorism coverage available to you and elect not to do so.
2. When this endorsement becomes applicable in accordance with the terms of A.1.a. or A.1.b., above, it supersedes any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism".
3. If this endorsement does NOT become applicable, then any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism", will remain in effect. However, if the Program is renewed, extended or otherwise continued in effect with revisions that change the level or terms or conditions of coverage, and we are required to offer you the revised coverage or to provide revised coverages to those who previously accepted coverage under the

**Program, then we will take the appropriate steps in response to the federal requirements.**

- B. Under **DEFINITIONS**, the following definition is added and applies under this endorsement whenever the term terrorism is enclosed in quotation marks.

**Terrorism** means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
  - a. Use or threat of force or violence; or
  - b. Commission or threat of a dangerous act; or
  - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
  - a. The effect is to intimidate or coerce a government or the civilian population or any segments thereof, or to disrupt any segment of the economy; or
  - b. It appears that the intent is to intimidate or coerce a government or the civilian population, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

- C. Under **SECTION I - PROPERTY PROTECTION, RESIDENTIAL PROPERTY - EXCLUSIONS, COVERAGE A - DWELLING, COVERAGE B - OTHER NON-FARM STRUCTURES and COVERAGE C - HOUSEHOLD PERSONAL PROPERTY** and under **SECTION I - PROPERTY PROTECTION, FARM PROPERTY -**

**EXCLUSIONS, COVERAGE E - FARM BUILDINGS AND STRUCTURES and COVERAGE F - FARM PERSONAL PROPERTY**, the following exclusion is added:

We do not cover loss to covered property caused directly or indirectly by **terrorism**, including action in hindering or defending against an actual or expected incident of **terrorism**. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies only when one or more of the following are attributed to an incident of **terrorism**:

1. The **terrorism** is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination;
2. Radioactive material is released, and it appears that one purpose of the **terrorism** was to release such material;
3. The **terrorism** is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the **terrorism** was to release such materials.

Under **COVERAGE A - DWELLING, COVERAGE B - OTHER NON-FARM STRUCTURES and COVERAGE C - HOUSEHOLD PERSONAL PROPERTY**, this exclusion does not apply to **your** dwelling, including structures attached to that dwelling and other non-farm structures located at the **residence premises** nor to household personal property, except **your** appliances and other household furnishings in that part of an **insured premises**, other than the **residence premises**, regularly rented to or held out for rental to others (except roomers or boarders) by any insured for use as living quarters.

- D. Under **SECTION II - PERSONAL LIABILITY PROTECTION, EXCLUSIONS, COVERAGE G - PERSONAL LIABILITY and COVERAGE H - MEDICAL PAYMENTS TO OTHERS**, the following exclusion is added as it applies to **your farming operations** only:

These coverages do not apply to **bodily injury, property damage, advertising injury or personal injury** caused directly or indirectly by **terrorism**, including action in hindering or defending against an actual or expected incident of **terrorism**. All **bodily injury, property damage or personal injury** is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. This exclusion applies only when one or more of the following are attributed to an incident of **terrorism**:

1. The **terrorism** is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination;
2. Radioactive material is released, and it appears that one purpose of the **terrorism** was to release such material;
3. The **terrorism** is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the **terrorism** was to release such materials.

- E. Multiple incidents of **terrorism** which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, regardless of whether this endorsement was in effect during the entirety of that time period or not.

## EMPLOYER'S LIABILITY EXCLUSION

It is agreed:

1. **DEFINITIONS** is amended as follows.

The definition of **Insured** is deleted and replaced by the following.

**Insured** means when the named insured in the Declarations is:

- a. an individual:
  - (1) **you**;
  - (2) **your relatives**; and
  - (3) any other person under the age of 21 residing with **you** who is in **your** care or the care of a **relative**.
- b. a partnership or joint venture:
  - (1) **you**;
  - (2) each of **your** partners and **your** members, who reside on a **residence premises**:
    - (a) their spouses;
    - (b) their **relatives**;
    - (c) any other person under the age of 21 who is in the care or the care of such partner's or member's spouse or **relative**  
who resides with such partner or member; and
  - (3) each of **your** partners or **your** members who do not reside on a **residence premises**, but only with respect to the conduct of **your farming** operations.
- c. a limited liability company:
  - (1) **you**; and
  - (2) **your** members, but only with respect to the conduct of **your farming** operations.
- d. an organization other than a partnership, joint venture or limited liability company:
  - (1) **you**;
  - (2) **your** officers; and
  - (3) **your** directors  
but only with respect to the conduct of **your farming** operations.

However, with respect to paragraphs 1.a. through 1.d. above, no person is an insured for **bodily injury, advertising injury or personal injury**:

- a. To:
  - (1) **You** and **your** spouse if the named **insured** is an individual;
  - (2) **Your**
    - (a) members;
    - (b) partners  
and their spouses if the named **insured** is a partnership or joint venture; or
  - (3) **Your** executive officers and directors if the named **insured** is other than a partnership or joint venture.
- b. To a **farm employee** of any **insured** while in the course of his or her employment or performing duties related to the conduct of any **insured's business**.
- c. To the spouse, child, parent, brother or sister of any **farm employee** as a consequence of b. immediately above.
- d. For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in a. and c. immediately above.

In PERSONAL LIABILITY PROTECTION, **insured** also means:

- e. any person you permit to use any vehicle covered by this policy only when such vehicle is on an **insured premises**.
- f. any employee while engaged in the employment of a person or organization in a., b., c. or d. above, but only with respect to their duties as such including the use of any vehicle covered by this policy.
- g. any person or organization legally responsible for animals or **watercraft** covered by this policy and owned by a person or organization in a., b., c. or d. above. However, **we** will cover that person or organization only with respect to those animals or **watercraft**. **We** shall not cover any person or organization using or having custody or animals or **watercraft** in the course of any **business** or without permission of the owner.

2. **PERSONAL LIABILITY PROTECTION** is amended as follows.

Under **EXCLUSIONS, COVERAGE G - PERSONAL LIABILITY** and **COVERAGE H - MEDICAL PAYMENTS TO OTHERS, 3.** is deleted and replaced by the following.

3. a. to **bodily injury**:

(1) to a **farm employee** of any **insured** arising out of and in the course of employment by the named **insured**; or

(2) to the spouse, child, parent, brother or sister of that **farm employee** as a consequence of 3.a.(1) immediately above.

b. This exclusion applies:

(1) whether any **insured** may be liable as an employer or in any other capacity; and

(2) to any obligation to share damages with or repay someone else who must pay damages because of the **bodily injury**.

All other policy terms and conditions apply.

**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM  
AND  
IMPORTANT INFORMATION REGARDING TERRORISM RISK  
INSURANCE COVERAGE**

It is agreed:

1. With respect to any one or more certified acts of terrorism, we will not pay any amounts for which we are not responsible because of the application of any provision which results in a cap on our liability for payments for terrorism losses in accordance with the terms of the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
2. Certified act of terrorism means any act certified by the Secretary of the Treasury, in consultation with:
  - a. the Secretary of Homeland Security; and
  - b. the Attorney General of the United Statesto be an act of terrorism as defined and in accordance with the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
3. Under the federal Terrorism Risk Act of 2002 (including ensuing Congressional actions pursuant to the Act) a terrorist act may be certified:
  - a. if the aggregate covered commercial property and casualty insurance losses resulting from the terrorist act exceed \$5 million; and
  - b. (1) if the act of terrorism is:
    - a) a violent act; or
    - b) an act that is dangerous to human life, property or infrastructure; and(2) if the act is committed:
    - a) by an individual or individuals as part of an effort to coerce the civilian population of the United States; or
    - b) to influence the policy or affect the conduct of the United States government by coercion.

All other policy terms and conditions apply.

## IMPORTANT INFORMATION REGARDING TERRORISM RISK INSURANCE COVERAGE

The Terrorism Risk Insurance Act of 2002 was signed into law on November 26, 2002. The Act (including ensuing Congressional actions pursuant to the Act) defines an act of terrorism, to mean any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States to be (i) an act of terrorism; (ii) to be a violent act or an act that is dangerous to human life, property or infrastructure; (iii) to have resulted in damage within the United States or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and (iv) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

Subject to the policy terms and conditions, this policy provides insurance coverage for acts of terrorism as defined in the Act.

Any coverage for certain commercial lines of property and casualty insurance provided by your policy for losses caused by certified acts of terrorism are partially paid by the federal government under a formula established by federal law. Under this formula, the government will reimburse us for 85% of such covered losses that exceed the statutory deductible paid by us. However, beginning January 1, 2016 the share will decrease 1% per calendar year until it equals 80%. **You should also know that in the event aggregate insured losses exceed \$100 billion during any year the Act is in effect, then the federal government and participating United States insurers that have met their insurer deductible shall not be liable for the payment of any portion of that amount of the loss that exceeds \$100 billion. In the event that aggregate insured losses exceed \$100 billion annually, no additional claims will be paid by the federal government or insurers.** This formula is currently effective through December 31, 2020 unless extended.

The premium charge, if any, for this coverage is shown separately on the attached Declarations page. In the event of a certified act of terrorism, future policies also may include a government assessed terrorism loss risk-spreading premium in accordance with the provisions of the Act.

Please contact us if you would like to reject coverage for certified acts of terrorism.

## COVERAGE D - ADDITIONAL LIVING EXPENSE AND LOSS OF RENTS

It is agreed:

**SECTION I - PROPERTY PROTECTION** is amended as follows.

Under **RESIDENTIAL PROPERTY COVERAGES, COVERAGE D - ADDITIONAL LIVING EXPENSE AND LOSS OF RENTS** is deleted and replaced by the following.

### **COVERAGE D - ADDITIONAL LIVING EXPENSE AND LOSS OF RENTS**

1. a. If a covered loss makes **your residence premises** unfit to live in, **we** shall pay:
  - (1) the reasonable increase in **your** living expenses necessary to maintain **your** normal standard of living while **you** live elsewhere. **We** will pay for only the shortest time required to repair or replace the **residence premises** or for **you** to permanently relocate.
  - (2) for **your** loss of normal rents of that part of the **residence premises** where **you** reside, that is either rented by **you** at the time of covered loss or has been held for rental to others by **you** during the 12 months preceding the date of loss, less any charges and expenses which do not continue while the **residence premises** is unfit to live in. **We** will pay this loss of normal rents only for the shortest time needed to make the rented part fit to live in.
- b. If damage caused by a peril **we** insure against occurs at a neighboring premises, **we** shall pay reasonable additional living expenses and loss of normal rents as provided in (1) and (2) above for up to two weeks provided civil authorities prohibit occupancy of the **residence premises**.
- c. These periods of time will not be shortened by the expiration of this policy. **We** will not pay for loss or expense because of the cancellation of any lease or agreement.
2. a. If a covered loss makes a dwelling insured by this policy unfit to live in, other than the **residence premises**, **we** shall pay for **your** loss of normal rents resulting from such covered loss while the dwelling is unfit to live in only if such dwelling is either rented by **you** at the time of covered loss or has been held for rental to others by **you** during the 12 months preceding the date of loss, minus charges and expenses which do not continue. **We** shall pay this loss of normal rents only for the shortest time needed to make the rented part of the dwelling fit to live in.
- b. If damage caused by a peril **we** insure against occurs at a neighboring premises, **we** shall pay for loss of normal rents as provided above for up to two weeks provided civil authorities prohibit occupancy of the **insured premises**.
- c. These periods of time will not be shortened by the expiration of this policy. **We** shall not pay for loss or expense because of the cancellation of any lease or agreement.

No deductible applies to this coverage.

All other policy terms and conditions apply.

## AMENDATORY ENDORSEMENT - UPSET AND OVERSPRAY

It is agreed:

Under **SECTION II - PERSONAL LIABILITY PROTECTION, ADDITIONAL COVERAGES, UPSET AND OVERSPRAY** is deleted and replaced by the following.

### UPSET AND OVERSPRAY

1. **We** shall pay up to the limit of liability shown in the Declarations under "Upset and Overspray" for all **bodily injury** and **property damage** caused by immediate and abrupt:
  - a. upset, overturn or collision of **your**:
    - (1) owned;
    - (2) rented; or
    - (3) borrowed**farm implement** while transporting; or
  - b. **overspray** during **your** application or dispersal of agricultural chemicals or **manure** that are intended for and normally used in **your farming** operations. The operations must be in compliance with local, state and federal ordinances or laws.
2. All policy exclusions apply to this additional coverage except, paragraphs a.(1) and a.(4)(a) of exclusion 15. under EXCLUSIONS, COVERAGE G - PERSONAL LIABILITY and COVERAGE H - MEDICAL PAYMENTS TO OTHERS. In addition, this additional coverage does not apply to **overspray** resulting from aerial application or aerial dispersal of agricultural chemicals or **manure**.
3. The limit of liability shown in the Declarations under "Upset and Overspray" is the most **we** shall pay for all **bodily injury** and **property damage**:
  - a. resulting from any one **occurrence**; and
  - b. during any one policy period regardless of the number of **occurrences**.

All other policy terms and conditions apply.

## WATER BACKUP OF SEWERS OR DRAINS

It is agreed:

**SECTION I - PROPERTY PROTECTION** is amended.

**1. RESIDENTIAL PROPERTY - EXCLUSIONS, COVERAGE A - DWELLING, COVERAGE B - OTHER NON-FARM STRUCTURES, COVERAGE C - HOUSEHOLD PERSONAL PROPERTY** is amended.

- a. The following exclusion is deleted wherever it appears in the policy or any endorsement attached to the policy.

Water damage, meaning:

- (1) regardless of the cause, flood, surface water, waves, tidal water or overflow of a body of water. **We** do not cover spray from any of these, whether or not driven by the wind;
- (2) water or sewage from outside the plumbing system that enters through sewers or drains;
- (3) water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or
- (4) water below the surface of the ground. This includes water which exerts pressure on or flows, seeps or leaks through any part of a building including the foundation, sidewalk, driveway, or swimming pool or other structure.

This exclusion does not apply to ensuing direct loss to covered property caused by theft, fire or explosion.

- b. The following exclusion replaces the preceding exclusion wherever it appeared in the policy or any endorsement attached to the policy.

Water damage, meaning:

- (1) regardless of the cause, flood, surface water, waves, tidal water or overflow of a body of water. **We** do not cover spray from any of these, whether or not driven by the wind;
- (2) water or sewage from outside the plumbing system that enters through sewers or drains;

- (3) water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or

- (4) water below the surface of the ground. This includes water which exerts pressure on or flows, seeps or leaks through any part of a building including the foundation, sidewalk, driveway, swimming pool or other structure.

This exclusion does not apply to ensuing direct loss to covered property caused by theft, fire or explosion. This exclusion applies except as provided by the additional coverage WATER BACKUP OF SEWERS OR DRAINS.

- 2. ADDITIONAL COVERAGES** is amended. The following additional coverage is added.

**WATER BACKUP OF SEWERS OR DRAINS**

**We** cover risk of accidental direct physical loss to covered property described under COVERAGE A - DWELLING, COVERAGE B - OTHER NON-FARM STRUCTURES and COVERAGE C - HOUSEHOLD PERSONAL PROPERTY caused by:

1. water from outside the plumbing system that enters through sewers or drains; and
2. water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area.

Coverage does not apply to any loss caused by negligence of any **insured**. No loss shall be paid until the amount of loss exceeds the deductible shown in the Declarations for "Water Backup of Sewers or Drains". The most **we** shall pay in any one loss is the limit of insurance shown in the Declarations for "Water Backup of Sewers or Drains". This additional coverage is excess over any other valid and collectible insurance provided by **us**. This is not an additional amount of insurance.

All other policy terms and conditions apply.

## UNMANNED AIRCRAFT LIABILITY AMENDATORY

It is agreed:

1. **DEFINITIONS** is amended for purposes of this endorsement only.
    - a. **3. Aircraft** is deleted and replaced by the following definition.
      3. **Aircraft** means a conveyance designed or used for flight including self-propelled missiles and spacecraft. In SECTION II - PERSONAL LIABILITY PROTECTION, **aircraft** includes **unmanned aircraft**;
    - b. The following definitions are added.
      - (1) **Unmanned aircraft**:
        - (a) means an **aircraft** that is not:
          - 1) created;
          - 2) constructed; or
          - 3) altered after manufacture to be controlled directly by a person from within or on the **aircraft**.
        - (b) includes an **unmanned aircraft system**.
      - (2) **Unmanned aircraft farming** means the use of **your unmanned aircraft** for:
        - (a) mapping; and
        - (b) aerial:
          - 1) infrared thermography;
          - 2) videography; or
          - 3) photography while in the course of **your farming** operations.
      - (3) **Unmanned aircraft system**:
        - (a) means:
          - 1) all necessary support equipment essential to the operation of an **unmanned aircraft** or any component of such system; and
          - 2) electronic media and data generated during **unmanned aircraft** operations.
        - (b) does not mean computers or cellular telephones which are not an integral part of support equipment.
2. **SECTION II – PERSONAL LIABILITY PROTECTION** is amended for purposes of this endorsement only.
  - a. **COVERAGE G – PERSONAL LIABILITY**, **1.a.(9)** is deleted and replaced by the following provision.
    - (9) (a) a model **aircraft** neither designed nor used for transporting persons or cargo; or
    - (b) an **unmanned aircraft** during **unmanned aircraft farming** operations while:
      - 1) on or over the **insured premises**; or
      - 2) being used in a **neighborly exchange**.
  - b. **EXCLUSIONS, COVERAGE G – PERSONAL LIABILITY** and **COVERAGE H – MEDICAL PAYMENTS TO OTHERS** is amended. The following exclusion is added. These coverages do not apply to **bodily injury, property damage** or **personal injury** resulting from or caused by an **unmanned aircraft** during **unmanned aircraft farming** operations while:
    - (1) not in view of a certified operator.
    - (2) not being operated in accordance with:
      - (a) United States Federal Aviation Administration rules and regulations; or
      - (b) rules and regulations of the jurisdiction in which the **unmanned aircraft** is being operated at the time of loss.
    - (3) not being operated by an **insured**.
    - (4) used in aerial application or aerial dispersal of chemicals of any kind.

All other policy terms and conditions apply.

## LOSS ASSESSMENT COVERAGE AMENDATORY

It is agreed:

1. **INSURING AGREEMENT** is amended. The following sentence is deleted for purposes of this endorsement only.

This policy applies to loss of or damage to covered property and to **bodily injury, property damage, personal injury** and **advertising injury** which occur during the policy term shown in the Declarations.

2. **SECTION I - PROPERTY PROTECTION, ADDITIONAL COVERAGES** is amended. **LOSS ASSESSMENT** is deleted and replaced by the following additional coverage.

### **LOSS ASSESSMENT**

1. **We** will pay up to \$2,500 for **your** share of any loss assessment charged against **you** during the policy term as the owner or tenant of the **residence premises** by an association or corporation of property owners if the assessment is made as a result of direct physical loss caused by a peril **we** insure against to property owned collectively by all members of the association or corporation.
  2. **We** will not pay if the loss is caused by earthquake or land shock waves or tremors which occur before, during or after a volcanic eruption or mine subsidence.
  3. **We** will not pay for any loss assessments charged by a governmental body.
  4. The most that **we** will pay for any one loss is \$2,500 regardless of the number of assessments.
3. **SECTION II - PERSONAL LIABILITY PROTECTION, ADDITIONAL COVERAGES** is

amended. **LOSS ASSESSMENT** is deleted and replaced by the following additional coverage.

### **LOSS ASSESSMENT**

1. **We** will pay up to \$2,500 for **your** share of any loss assessment charged against **you** during the policy term as an owner or tenant of the **residence premises** by an association or corporation of property owners if the assessment is made as a result of:
  - a. an **occurrence** or **incident** covered by SECTION II - PERSONAL LIABILITY PROTECTION of this policy; or
  - b. liability for an act of a director, trustee or officer in his or her capacity as such. The director, trustee or officer must:
    - (1) be elected by the members of the association or corporation; and
    - (2) serve without pay for performing his or her duties.
2. **We** will not pay for any loss assessments charged by a governmental body.
3. The most **we** will pay is \$2,500 regardless of the number of assessments, for loss arising out of an **occurrence, incident** or covered act of a director, officer or trustee. An act involving more than one director, officer or trustee shall be considered a single act.

All other policy terms and conditions apply.

## RECREATIONAL VEHICLE LIABILITY

It is agreed:

1. Under **DEFINITIONS**, **Insured** is amended to include any person using an insured **recreational vehicle** with the permission of any **insured**.
2. **PERSONAL LIABILITY PROTECTION** is amended as follows:
  - a. Under **COVERAGES**, **COVERAGE G - PERSONAL LIABILITY**, subparagraph 1.a.(6) is deleted and replaced by the following:

(6) **recreational vehicles** owned by any **insured**;
  - b. Under **EXCLUSIONS**:
    - (1) The following exclusions are added:

**COVERAGE G - PERSONAL LIABILITY** and **COVERAGE H - MEDICAL PAYMENTS TO OTHERS** do not apply to **recreational vehicles** which are licensed for use on public roads; rented to others; or used as public or livery conveyances.

**COVERAGE H - MEDICAL PAYMENTS TO OTHERS** does not apply to **recreational vehicles** which are motorcycles, trail bikes or similar two-wheel vehicles.
    - (2) Under **COVERAGE H - MEDICAL PAYMENTS TO OTHERS**, exclusion 3. is deleted and replaced by the following:
      3. to **bodily injury** to any **insured** or any other person who resides on any part of any **insured premises**. This exclusion does not apply to:
        - a. a **residence employee**; or
        - b. any **insured** because of or arising out of:
          - (1) the operation or use of a **recreational vehicle**; or
          - (2) the maintenance or use of only a **watercraft** covered by **COVERAGE G**.
  - c. Under **LIMIT OF LIABILITY**, **COVERAGE H - MEDICAL PAYMENTS TO OTHERS**, 1. is deleted and replaced with the following provision as it applies to **recreational vehicles** only.
    1. **We** shall pay no more than \$500 for all medical expenses because of or arising out of **bodily injury** to any one person in any one **occurrence**.

All other policy terms and conditions apply.

## INCREASED COST COVERAGE

It is agreed:

1. When "Increased Cost Coverage" is shown in the Declarations under a dwelling, if prior to a covered loss to such dwelling, **you** have:
  - a. permitted **us** to increase the COVERAGE A - DWELLING limit of insurance shown in the Declarations to reflect:
    - (1) any increase because of inflation; and
    - (2) any property valuation estimates made by **us**; and
  - b. notified **us** of any additions, improvements or remodeling to such dwelling:
    - (1) within:
      - (a) 180 days from the start of construction; or
      - (b) 30 days from the date of completion  
whichever is earlier; and
    - (2) which individually or cumulatively increased such dwelling's replacement cost by 5% or more or \$10,000, whichever is greater, above the COVERAGE A - DWELLING limit of insurance stated in the Declarations in effect at the time of the loss; and
  - c. paid an additional premium for any increase in the limit of insurance  
then at the time of a covered loss to such dwelling, if **you** repair or replace such dwelling, the COVERAGE A - DWELLING limit of insurance shown in the Declarations shall, if necessary, be increased to reflect the current cost to repair or replace such dwelling at the **insured premises** or to replace such dwelling at another premises. However, if such dwelling is replaced at other than the **insured premises**, the cost is limited to the cost which would have been incurred if such dwelling had been replaced at the **insured premises**. In no event shall this increase in the limit of insurance exceed 25% of the COVERAGE A - DWELLING limit of insurance immediately prior to the covered loss.
2. If the COVERAGE A - DWELLING limit of insurance shown in the Declarations is increased, then the limit of insurance shown in the Declarations for:
  - a. COVERAGE B - OTHER NON-FARM STRUCTURES;
  - b. COVERAGE C - HOUSEHOLD PERSONAL PROPERTY; and
  - c. COVERAGE D - ADDITIONAL LIVING EXPENSE OR LOSS OF RENTSshall be increased by the same percentage that the COVERAGE A - DWELLING limit of insurance has been increased.
3. The policy premium shall be increased to reflect any increases in the limits of insurance.  
If coverage for ordinance or law is provided by this policy, in no event shall **our** payment under the provisions of that endorsement be increased because of the above provisions.

All other policy terms and conditions apply.

**South Dakota**  
**POLICY CANCELLATION AND NONRENEWAL**

It is agreed:

Under **GENERAL POLICY CONDITIONS**, the following conditions are added:

**CANCELLATION**

1. **You** may cancel this policy by returning it to **us** or by giving **us** written notice of the future date at which **you** wish the cancellation to take effect.
2. **We** may cancel this policy by mailing or delivering written notice stating the reason for cancellation to **you** at **your** address shown in the Declarations. This notice shall be mailed or delivered at least 20 days prior the effective date.
3. If this policy has been in effect for 60 days or less and is not a renewal, **we** may cancel for any reason. If this policy has been in effect more than 60 days or is a renewal, **we** may only cancel for one or more of the following reasons:
  - a. nonpayment of premium;
  - b. discovery of fraud or material misrepresentation made by or with the knowledge of a named **insured** in obtaining the policy, continuing the policy or in presenting a claim under the policy;
  - c. discovery of acts or omissions on the part of a named **insured** which increase any hazard insured against;
  - d. a change in the risk which substantially increases any hazard insured against after insurance coverage has been issued;
  - e. a violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against;
  - f. a determination by the director of the Division of Insurance that the continuation of the policy would jeopardize **our** solvency and would place **us** in violation of South Dakota insurance laws;
  - g. violation or breach by an **insured** of any policy terms or conditions; or
  - h. such other reasons as are approved by the director of the Division of Insurance.

**NONRENEWAL**

If **we** decide not to renew this policy, **we** will mail or deliver written notice stating the reason for nonrenewal to **you** at **your** address shown in the Declarations. This notice shall be mailed or delivered at least 60 days prior the expiration of this policy.

All other policy terms and conditions apply.

## ADDITIONAL COVERAGE - ORDINANCE OR LAW ENDORSEMENT

It is agreed:

When "Ordinance or Law Endorsement" is shown in the Declarations under a dwelling, the policy is amended as follows only with respect to such dwelling.

**1. SECTION I - PROPERTY PROTECTION, RESIDENTIAL PROPERTY - EXCLUSIONS, COVERAGE A - DWELLING, COVERAGE B - OTHER NON-FARM STRUCTURES and COVERAGE C - HOUSEHOLD PERSONAL PROPERTY, 1.**

is amended. The following provision is added. This exclusion does not apply to the ADDITIONAL COVERAGE, ORDINANCE OR LAW.

**2. SECTION I - PROPERTY PROTECTION, ADDITIONAL COVERAGES** is amended. The following additional coverage is added.

**ORDINANCE OR LAW**

We will pay up to the limit shown in the Declarations under "Ordinance or Law Endorsement" for the increased costs necessary to meet any applicable enforcement of ordinance or law:

1. regulating the construction, use or repair; or
2. requiring the demolition, including costs of debris removal

for covered property insured under Coverage A - Dwelling or Coverage B - Other Non-Farm Structures which is damaged by a peril **we** insure against. This includes any undamaged part of the covered property which is necessary to complete the repair or replacement of the damaged covered property. This is an additional amount of insurance. However, in no event shall **our** payment under the provisions of this endorsement be increased because of the provisions of any other endorsement attached to this policy that may increase the Coverage A - Dwelling or Coverage B - Other Non-Farm Structures limits of insurance shown in the Declarations.

All other policy terms and conditions apply.

## AMENDATORY ENDORSEMENT - FREEZING EXCLUSION

It is agreed:

**SECTION I - PROPERTY PROTECTION** is amended as follows:

1. Under **RESIDENTIAL PROPERTY EXCLUSIONS, COVERAGE A - DWELLING, COVERAGE B - OTHER NON-FARM STRUCTURES** and **COVERAGE C - HOUSEHOLD PERSONAL PROPERTY**, exclusion **5.** is deleted and replaced by the following:
  5. Freezing of plumbing, heating, air conditioning or automatic fire protection sprinkler systems or domestic appliances, or by discharge, leakage or overflow from the system or appliance caused by freezing while the building is vacant, unoccupied or in the course of construction unless **you** take precautions to:
    - a. shut off the water supply and drain the systems and appliances; or
    - b. maintain heat in the building.
2. Under **FARM PROPERTY - EXCLUSIONS, COVERAGE E - FARM BUILDINGS AND STRUCTURES** and **COVERAGE F - FARM PERSONAL PROPERTY** exclusion **1.a.(5)** is deleted and replaced by the following:
  - (5) Freezing of a plumbing, heating, air conditioning or automatic fire protection sprinkler system or a domestic appliance, or by discharge, leakage or overflow from the system or appliance caused by freezing while the building is vacant, unoccupied or in the course of construction unless, **you** take precautions to:
    - (a) shut off the water supply and drain the system and appliance; or
    - (b) maintain heat in the building.

All other policy terms and conditions apply.

## AMENDMENT OF EXCLUSIONS

It is agreed:

1. Under **SECTION I - PROPERTY PROTECTION, RESIDENTIAL PROPERTY - EXCLUSIONS, COVERAGE A - DWELLING, COVERAGE B - OTHER NON-FARM STRUCTURES** and **COVERAGE C - HOUSEHOLD PERSONAL PROPERTY** paragraph **3.** is deleted and replaced by the following.

3. Water damage meaning:

- a. regardless of the cause, flood, surface water, waves, tidal water, storm surge or overflow of a body of water. **We** do not cover spray from any of these, whether or not driven by the wind;
    - b. water or sewage from outside the plumbing system that enters through sewers or drains;
    - c. water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or
    - d. water below the surface of the ground. This includes water which exerts pressure on or flows, seeps or leaks through any part of a building including the foundation, sidewalk, driveway, swimming pool or other structure.

This exclusion does not apply to ensuing direct loss to covered property caused by theft, fire or explosion.

2. Under **SECTION I - PROPERTY PROTECTION, FARM PROPERTY - EXCLUSIONS, COVERAGE E - FARM BUILDINGS AND STRUCTURES** and **COVERAGE F - FARM PERSONAL PROPERTY**, paragraph **1. a.(3)** is deleted and replaced by the following.

- (3) Water damage meaning:

- (a) regardless of the cause, flood, surface water, waves, tidal water, storm surge or overflow of a body of water. **We** do not cover spray from any of these, whether or not driven by the wind;
    - (b) water or sewage from outside the plumbing system that enters through sewers or drains;
    - (c) water which enters into and overflows from within a sump pump, sump pump well or any other system designed to remove subsurface water which is drained from the foundation area; or
    - (d) water below the surface of the ground. This includes water which exerts pressure on or flows, seeps or leaks through any part of a building including the foundation, sidewalk, driveway, swimming pool or other structure.

This exclusion does not apply to ensuing direct loss to covered property caused by theft, fire or explosion.

All other policy terms and conditions apply.

33175 (7-12)

## AMENDATORY - WHAT TO DO IN CASE OF LOSS

It is agreed:

Under **WHAT TO DO IN CASE OF LOSS, PROPERTY, 5.** is deleted and replaced by the following:

5. exhibit the damaged property to **us** or **our** representative as often as may be reasonably required and permit **us** to examine, inspect, test and analyze the damaged property.

All other policy terms and conditions apply.

33175 (7-12)

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33230 (9-14)

## WAIVER OF DEDUCTIBLE - CAB GLASS

It is agreed:

Under **SECTION I - PROPERTY PROTECTION, ADDITIONAL COVERAGES, GLASS OR SAFETY GLAZING MATERIAL, 3.** is deleted and replaced by the following:

3. the breakage of glass which is part of the cab of a covered **farm implement**. No deductible applies to the breakage of cab glass of a covered **farm implement**.

All other policy terms and conditions apply.

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## PERSONAL INJURY AMENDATORY

It is agreed:

**SECTION II – PERSONAL LIABILITY PROTECTION, EXCLUSIONS** is amended. The following exclusion is added to **COVERAGE G – PERSONAL LIABILITY**.

This coverage does not apply:

to **personal injury** caused by or at the direction of the **insured** with the knowledge that the act would violate the rights of another and would cause **personal injury**.

All other policy terms and conditions apply.

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## AMENDMENT OF PERSONAL LIABILITY PROTECTION

It is agreed:

Under **SECTION II - PERSONAL LIABILITY PROTECTION, EXCLUSIONS, COVERAGE G - PERSONAL LIABILITY, 6.** is deleted and replaced by the following:

- 6. to bodily injury, advertising injury or personal injury to you or any relative.** This exclusion does not apply with regard to only **bodily injury** sustained by any **insured** because of or arising out of the maintenance or use of only a **watercraft** covered by COVERAGE G.

All other policy terms and conditions apply.

## DUPLICATION OF COVERAGE ENDORSEMENT

It is agreed:

The following condition is added to **GENERAL POLICY CONDITIONS.**

### DUPLICATION OF COVERAGE

If this policy and any other insurance policy, form or coverage provided by us or a company affiliated with us, provides coverage for the same loss or damage, our maximum limit of liability under all the insurance policies, forms or coverages shall not exceed the highest limit of liability under any single insurance policy, form or coverage applicable to the loss or damage.

This condition does not apply to any insurance policy, form or coverage issued by us or a company affiliated with us to specifically provide excess insurance over this insurance.

All other policy terms and conditions apply.

## RESIDENTIAL NON-OWNER OCCUPIED DWELLING RENTED TO OTHERS

It is agreed:

1. Under **DEFINITIONS, 13. Insured premises** is amended to include any:
  - a. nonowner occupied dwelling, including structures attached to that dwelling, described in the Declarations; and
  - b. associated other non-farm structure.Such dwelling must be:
  - a. owned by **you**;
  - b. not occupied by **you**; and
  - c. used principally as a private residence.
2. **SECTION I - PROPERTY PROTECTION, COVERAGE B - OTHER NON-FARM STRUCTURES, 1. COVERED PROPERTY** is deleted and replaced by the following as it applies to this endorsement only:
  1. **We** cover other non-farm structures at an **insured premises**, which are not attached to the nonowner occupied dwelling described in the Declarations. This includes structures which are connected to the nonowner occupied dwelling by only a utility line, fence or other similar connections.

All other policy terms and conditions apply.

## AMENDMENT OF PERSONAL LIABILITY PROTECTION EXCLUSIONS

It is agreed:

Under **PERSONAL LIABILITY PROTECTION, EXCLUSIONS, COVERAGE G - PERSONAL LIABILITY** and **COVERAGE H - MEDICAL PAYMENTS TO OTHERS, 13.** is deleted and replaced by the following:

13. to **bodily injury** or **property damage** reasonably expected or intended by the **insured**. This exclusion applies even if the **bodily injury** or **property damage** is of a different kind or degree, or is sustained by a different person or property, than that reasonably expected or intended. This exclusion does not apply to **bodily injury** or **property damage** arising out of the use of reasonable force by the **insured** to protect persons or property.

All other policy terms and conditions apply.

## FARMS HELD IN TRUST

It is agreed:

1. **DEFINITIONS** is amended as follows:
  - a. The following is added to **12. Insured**.  
**Insured** means when the named insured in the Declarations is:  
 a trust:
    - (1) **you**; and
    - (2) any trustee of the trust, but only with respect to their duties as a trustee of the named trust.
  - b. **30. You or your** is deleted and replaced by the following:  
**30. You or your** means the named insured shown in the Declarations and if an individual, **your** spouse who resides in the same household. When a trust is shown in the Declarations as a named insured, **you** or **your** also includes any trustee of the trust, but only with respect to their duties as a trustee of the named trust.
2. Under **GENERAL POLICY CONDITIONS**, the following condition is added:  
**CHANGES AND NOTIFICATIONS**  
**You** must notify **us** promptly of the following changes to the trust:
  - a. change of trustee;
  - b. death of the settlor;
  - c. death of the trustee, if an individual; or
  - d. termination of the trust.

All other policy terms and conditions apply.

## NEWLY ACQUIRED FARM PERSONAL PROPERTY

It is agreed:

**SECTION I - PROPERTY PROTECTION, ADDITIONAL COVERAGES, NEWLY ACQUIRED FARM PERSONAL PROPERTY** is amended.

The last paragraph is deleted and replaced with the following:

**We** shall pay no more than the limit of insurance shown in the Declarations under Newly Acquired Farm Personal Property, for loss of or damage to newly acquired **farm** personal property in any one loss. This is an additional amount of insurance.

All other policy terms and conditions apply.

## POLLUTANTS AND MANURE DEFINITIONS

It is agreed:

**DEFINITIONS** is amended.

1. **21. Pollutants** is deleted and replaced by the following definition.  
**21. Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, liquids, gases, **manure** and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
2. The following definition is added.  
**Manure** means organic matter usually consisting of feces and urine, with or without litter such as straw, hay or bedding.

All other policy terms and conditions apply.

## MARIJUANA EXCLUSION

It is agreed:

**SECTION I - PROPERTY PROTECTION** is amended as follows.

1. Under **RESIDENTIAL PROPERTY - COVERAGES, COVERAGE C - HOUSEHOLD PERSONAL PROPERTY, PROPERTY NOT COVERED**, the following is added:  
any form of marijuana and its paraphernalia.
2. Under **FARM PROPERTY - COVERAGES, COVERAGE F - FARM PERSONAL PROPERTY, BLANKET COVERAGE, PROPERTY NOT COVERED**, the following is added:  
any form of marijuana and its paraphernalia.
3. Under **ADDITIONAL COVERAGES, TREES, SHRUBS, PLANTS AND LAWNS**, the following is added:  
This additional coverage does not apply to loss or damage to marijuana.

All other policy terms and conditions apply.

## HOW LOSSES ARE SETTLED AMENDATORY

It is agreed:

**SECTION I – PROPERTY PROTECTION, PROPERTY PROTECTION CONDITIONS, HOW LOSSES ARE SETTLED** is amended. Paragraph **2.e.** is deleted and replaced by the following.

2. e. **You** may disregard the provisions of **SECTION I - PROPERTY PROTECTION, PROPERTY PROTECTION CONDITIONS, HOW LOSSES ARE SETTLED 2.a.(1)** and **2.a.(2)** and make an **actual cash value** claim for loss or damage to property covered under **COVERAGE A, COVERAGE B** and **COVERAGE E**. If **you** do, **you** may make a further claim under the provisions of **SECTION I - PROPERTY PROTECTION, PROPERTY PROTECTION CONDITIONS, HOW LOSSES ARE SETTLED 2.a.**, provided **you** notify **us** of **your** intent to repair or replace the damaged covered property within 180 days after the initial **actual cash value** payment. However, to receive additional payment **you** must:
- (1) complete repair or replacement of the damaged covered property within two years after the date of loss; and
  - (2) notify us within 30 days after the repair or replacement has been completed.

All other policy terms and conditions apply.

## AMENDMENT OF EXCLUSIONS - FARM PERSONAL PROPERTY

It is agreed:

Under **SECTION I – PROPERTY PROTECTION, FARM PROPERTY – EXCLUSIONS, COVERAGE F – FARM PERSONAL PROPERTY**, paragraph **1.b. COVERAGE F – FARM PERSONAL PROPERTY** is deleted and replaced by the following.

In addition, **we** do not cover loss to covered property caused directly or indirectly by any of the following, whether or not any other cause or event contributed concurrently or in any sequence to the loss:

- (1) Death or injury to **livestock** or poultry caused by:
- (a) running into streams or ditches;

- (b) running against fences or other objects;
- (c) smothering;
- (d) freezing; or
- (e) fright.

- (2) Conversion or embezzlement.
- (3) Mysterious disappearance of **livestock** or poultry.
- (4) Parting with covered property when induced to do so under false pretenses.

All other policy terms and conditions apply.

## STANDING CROPS AND HARVESTED CROPS IN THE OPEN AMENDATORY

It is agreed:

**SECTION I – PROPERTY PROTECTION, FARM PROPERTY – COVERAGES, COVERAGE F – FARM PERSONAL PROPERTY, BLANKET COVERAGE, PROPERTY NOT COVERED** is amended. **4.** is deleted and replaced by the following provision.

- 4.** standing or harvested crops which are in the open. However, **we** do cover:
- a.** standing crops which are in the open only for accidental direct physical loss caused by the perils of fire, lightning, theft, vandalism,

malicious mischief or vehicles not owned or operated by any **insured**.

- b.** harvested crops which are in the open only for accidental direct physical loss caused by the perils of fire, lightning, wind, hail, theft, vandalism, malicious mischief or vehicles not owned or operated by any **insured**.

All other policy terms and conditions apply.

## HOUSEHOLD PERSONAL PROPERTY COVERAGE - RENTAL PREMISES

It is agreed:

Under **SECTION I - PROPERTY PROTECTION, RESIDENTIAL PROPERTY - COVERAGES, COVERAGE C - HOUSEHOLD PERSONAL PROPERTY, SPECIAL LIMITS OF INSURANCE FOR CERTAIN HOUSEHOLD PERSONAL PROPERTY**, paragraph 14. is deleted and replaced by the following:

- 14.** The limit of insurance shown in the Declarations under "Household Personal Property Rental Premises" for **your** appliances and other household furnishings in that part of an **insured premises** regularly rented to or held out for rental to others (except roomers and boarders) by **you**.

All other policy terms and conditions apply.

## LIVESTOCK DEFINITION

It is agreed:

Under **DEFINITIONS**, **Livestock** is deleted and replaced by the following:

**Livestock** means dairy cattle, beef cattle, sheep, swine, goats, horses, mules, donkeys, llamas and alpacas raised on a farm and includes any other animal when described under "Scheduled Farm Personal" in the Declarations.

**Livestock** does not include poultry or household pets.

All other policy terms and conditions apply.

## SPECIFIED ADDITIONAL INSURED

It is agreed:

1. **DEFINITIONS** is amended as follows.

a. The following is added to **12. Insured**:

In SECTION II - PERSONAL LIABILITY PROTECTION, **insured** also means the person or organization shown in the Declarations as a SPECIFIED ADDITIONAL INSURED, but only for: **bodily injury, property damage, advertising injury or personal injury**:

(1) caused in whole or in part, by:

(a) **your** acts or omissions; or

(b) the acts or omissions of anyone acting on **your** behalf

while in the performance of **your farming** operations in connection with an **insured premises** owned, rented or leased by **you**.

(2) from any rental or holding out for rental to others any dwelling and other non-farm structures described in the Declarations which is not occupied by **you**.

2. The following is added to **PERSONAL LIABILITY PROTECTION, LIMIT OF LIABILITY, PERSONAL LIABILITY**:

The limit of liability for the person or organization shown in the Declarations as a SPECIFIED ADDITIONAL INSURED is inclusive of and not in addition to the limit shown in the Declarations for Personal Liability.

All other policy terms and conditions apply.

## DEDUCTIBLE AMENDATORY

It is agreed:

**SECTION I – PROPERTY PROTECTION** is amended. **DEDUCTIBLE** is deleted and replaced by the following provision.

**DEDUCTIBLE**

The following deductible provision applies unless otherwise noted in this policy or any attached endorsement.

A deductible applies to all coverages unless shown otherwise.

**We** will not pay any loss until the amount of covered loss exceeds any applicable deductible.

**We** will then pay the amount of loss in excess of such deductible not to exceed the applicable limit of insurance.

If more than one deductible applies to the same loss, only one deductible will apply. **We** will apply the largest applicable deductible to the entire loss.

If damage resulting from a loss is covered by both this policy and an attached Inland Marine form, only one deductible will apply. **We** will apply the largest applicable deductible to the entire loss.

However, if an Earthquake Coverage form is attached to this policy, the deductible shown in that form will be independent of and in addition to any other deductible.

All other policy terms and conditions apply.

## SEED EXCLUSION

It is agreed:

**1. SECTION II – PERSONAL LIABILITY PROTECTION, EXCLUSIONS, COVERAGE G – PERSONAL LIABILITY** is amended.

Exclusion **12.** is deleted and replaced by the following.

- 12.** to **property damage** resulting from any:
- a.** error in processing, labeling or treating seed;
  - b.** failure of seed to germinate;
  - c.** erroneous delivery of seed, which includes:
    - (1)** failure to deliver seed;
    - (2)** delivery of the wrong seed; or

- (3)** delivery of the right seed at the wrong time of season;
- d.** presence of disease causing organisms, noxious weeds or varietal variations in the seed product;
- e.** failure of seeds to conform to the variety specified; or
- f.** warranties whether written, expressed or implied.

All other policy terms and conditions apply.

## ACTUAL CASH VALUE AND DEPRECIATION AMENDATORY

It is agreed:

**DEFINITIONS** is amended.

1. **1. Actual cash value** is deleted and replaced by the following definition.
  1. **Actual cash value** means the cost to repair or replace lost or damaged covered property with new property of similar quality and features reduced by the amount of **depreciation** applicable to the lost or damaged covered property immediately prior to the loss.
2. **6. Depreciation** is deleted and replaced by the following definition.
  6. **Depreciation** means a decrease in value because of age, wear, obsolescence or market value and includes:
    - a. the cost of materials, labor and services;
    - b. any applicable taxes; and
    - c. profit and overheadnecessary to repair or replace lost or damaged covered property.

All other policy terms and conditions apply.

## AMENDMENT OF EXCLUSIONS - FARM IMPLEMENTS

It is agreed:

Under **SECTION II - PERSONAL LIABILITY PROTECTION, EXCLUSIONS, COVERAGE G - PERSONAL LIABILITY** and **COVERAGE H - MEDICAL PAYMENTS TO OTHERS, 8.** is deleted and replaced by the following.

8. to **bodily injury** or **property damage** because of or arising out of the ownership, maintenance, use, loading or unloading of any **aircraft, farm implement, motor vehicle, recreational vehicle** or **watercraft**. This exclusion does not apply:
  - a. to **aircraft, motor vehicles, recreational vehicles** or **watercraft** described under paragraphs 1.a. and 1.b. of **COVERAGE G**;
  - b. to **farm implements**:
    - (1) for which no permit has been issued for use on public roads;
    - (2) which are not licensed nor registered for use on public roads;
    - (3) for which a permit is not required for use on public roads;
    - (4) which are not required to be licensed nor registered for use on public roads; or
    - (5) described under paragraphs 1.a. and 1.b. of **COVERAGE G**; or
  - c. to **bodily injury** to a **residence employee** arising out of or in the course of employment by an **insured**.

All other policy terms and conditions apply.

## NONOWNERSHIP LIABILITY AMENDATORY ENDORSEMENT

It is agreed:

The following provision is added to **SECTION II - PERSONAL LIABILITY PROTECTION, COVERAGE EXTENSION, NONOWNERSHIP LIABILITY**.

While the **motor vehicle** or **farm implement** to which this Coverage Extension applies is subject to the financial responsibility or compulsory insurance laws of any state of the United States of America or any province of Canada, **we** will increase the limit of liability for **COVERAGE G - PERSONAL LIABILITY** to comply with minimum requirements of a financial responsibility or compulsory insurance law of the jurisdiction where the **motor vehicle** or **farm implement** is being operated.

**We** will not duplicate payments available under this or any other insurance for the same elements of loss.

This is not an additional limit of liability.

All other policy terms and conditions apply.

## WHAT TO DO IN CASE OF LOSS - AMENDATORY

It is agreed:

Under **WHAT TO DO IN CASE OF LOSS, PROPERTY** is amended as follows.

- a. 1. is deleted and replaced by the following.
  1. give **us** or **your** agency immediate notice. In case of:
    - a. theft also notify the police and provide them with a complete inventory of stolen or damaged property.
    - b. loss under CREDIT CARD, CHARGE PLATE, FUND TRANSFER CARD and CHECK FORGERY coverage, also notify the issuer of the card or plate or the bank.
    - c. loss or damage by wind or hail, notice of the loss or damage must be given to **us** or **your** agency within one year after the date the loss or damage occurred.
- b. 4. is deleted and replaced by the following.
  4. send to **us**, within 60 days after **you** notify **us** or **your** agency of the loss, a proof of loss signed and sworn to by the **insured**, including:
    - a. the time and cause of loss;
    - b. the interest of **insureds** and all others in the property;
    - c. **actual cash value** and amount of loss to the property;
    - d. all encumbrances on the property;
    - e. other policies covering the loss;
    - f. changes in the title, use, occupancy or possession of the property;
    - g. if required, any plans and specifications of any damaged building or fixtures; and
    - h. the inventory of all damaged or stolen property required by 3. above.

All other policy terms and conditions apply.

## SEXUAL ABUSE OR MOLESTATION EXCLUSION

It is agreed:

Under **PERSONAL LIABILITY PROTECTION, EXCLUSIONS, COVERAGE G - PERSONAL LIABILITY** and **COVERAGE H - MEDICAL PAYMENTS TO OTHERS**, the following exclusion is added:

to **bodily injury, property damage** or **personal injury** arising out of or related to:

- a. the actual, alleged or threatened sexual abuse or sexual molestation of any person committed by any person, whether or not with the consent or participation of any **insured**;
- b. the failure of:
  - (1) any **insured**;
  - (2) member of the household; or
  - (3) anyone elseto prevent or stop any such actual or threatened sexual abuse or sexual molestation; or
- c. the negligent:
  - (1) employment;
  - (2) investigation;
  - (3) training;
  - (4) supervision;
  - (5) reporting to the proper authorities, or failure to report; or
  - (6) retentionof any person whose conduct would be excluded by a. above.

All other policy terms and conditions apply.